

EXIT SIGNAL

DD-Readiness Report

A sale-readiness assessment and preparation guide based on your self-reported inputs. Preparation guidance — not legal, tax, clinical, regulatory, or valuation advice.

Care home: **Maple Court Care Home**

Buyer archetype: **PE / PE-backed consolidator**

SAMPLE — illustrative, redacted

A structured readiness analysis against the ExitSignal framework, calibrated on public UK care-sector due-diligence checklists.

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ABOUT EXITSIGNAL

ExitSignal is a structured due-diligence-readiness framework built on public UK care-sector due-diligence checklists, calibrated for private-equity, consolidator, and independent buyer archetypes. It translates your operational reality into the evidence buyers demand — before they demand it.

How to read this report

This report helps you answer five questions quickly: *Where am I weak? What matters most? What do I do first? What can wait? When do I need a professional?*

What the score means

Each area is scored out of 5 from your own answers. A higher score means your evidence is more complete and easier for a buyer to diligence — it is not a mark of your care quality, but of how *sale-ready* the paperwork and structure are.

What Red / Amber / Green means

Green on track — likely to reassure a buyer. **Amber** partly there — buyers are likely to probe it. **Red** a likely focus of scrutiny — worth attention before market. The colours signal how an area is likely to affect a buyer's confidence, not a pass/fail verdict.

What "good" means here

"Good" means *good enough to diligence cleanly* — the evidence exists, is current, and is organised. It is a readiness bar, not perfection.

The three actions

- Fix now** Something you can act on yourself, soon.
- Prepare before market** Evidence to assemble and organise before you go to market — not necessarily fixed, but ready to show.
- Get advice** Turns on a regulated or specialist judgement — take it to the relevant adviser before you rely on it.

One important note

This analysis is built entirely from the answers **you** provided. ExitSignal has not independently verified them, so the value you get depends on how accurately and how fully you completed the workbook — in particular, the detail in each section's evidence notes, which is read directly when this report is written. If any section here feels too general, adding more detail there and regenerating will sharpen it. Where a point touches a regulated area, confirm the current position with your own adviser.

Executive summary

Overall readiness: **Amber** (3.2/5)

Maple Court Care Home is in a solid amber position — a Good CQC rating, stable occupancy at 93%, and clean statutory accounts give a genuinely strong commercial foundation. The areas that need the most attention before going to market are financial reporting cadence, owner dependency, and the deferred capex backlog, each of which a PE buyer's due-diligence team will examine closely. With a focused 90-day programme targeting these gaps, Maple Court can move from 'commercially interesting' to 'well-evidenced and ready' — the positioning that commands the best outcome with a sophisticated PE or consolidator buyer.

Readiness at a glance



Score out of 5 · dotted marks = amber (2.5) and green (3.5) thresholds · **BIGGEST LEVER** = where the most value is at stake for you

Where your value is most at stake

Ranked by how much each gap is likely to affect value for a buyer of your type — start your energy here.

- 1. Agency dependence (% hours, cost ratio, providers, exclusivity)** (S4 Workforce & Contingent Labour · 4.3)
- 2. Deferred capex / maintenance backlog (cost estimates, urgency)** (S5 Property & Leases · 5.6)
- 3. Management accounts cadence (monthly/quarterly, lag time, format consistency)** (S7 Financial Hygiene · 7.2)

What is threatening value

- Owner dependency: funder relationships, fee negotiations and most operational decisions still run through the owner with little documented — a primary value-transfer risk for PE buyers
- Management accounts cadence: quarterly production with inconsistent format and no clear monthly run-rate undermines buyer confidence in the financial picture
- No rolling 13-week cash-flow forecast — cash managed from the bank balance signals weak financial control to a data-hungry PE acquirer
- Agency at 22% of care hours with no written reduction plan — above the range PE buyers typically look for and a structural cost concern
- Deferred capex backlog (flat roof, two assisted bathrooms) uncosted and unsurveyed — an unquantified liability that buyers price conservatively

What is helping value

- Good CQC rating across all five key questions at the November 2024 inspection, with a stable three-inspection trajectory — a genuine differentiator for PE buyers
- 93% occupancy over the trailing 12 months, with 55% self-pay mix — strong pricing power and margin quality
- Clean, unqualified statutory accounts filed on time — a reliable financial foundation buyers can build on
- Long-tenured senior care staff, below-sector-average turnover, and a settled caring culture — reduces people risk in the buyer's mind
- Single freehold site owned outright — no lease complexity and a clean property position

If you do only three things in the next 30 days

1. Engage your accountant this week to agree a monthly management-accounts close calendar targeting production within 10–15 working days of month-end — this is the single change that most immediately improves buyer confidence in the numbers
2. Commission a building surveyor to inspect and cost the flat roof section and two assisted bathrooms, so you replace an anecdotal backlog with a quantified, prioritised register within 30 days
3. Map every owner-held relationship and decision onto a one-page dependency assessment — list who currently owns each externally and who inside the team could take it over — so you have a baseline to work from before anything else

Likely adviser input needed

Employment / payroll adviser Before market

A specialist who checks that how you pay staff — wages, holiday pay, sleep-in shifts — is calculated correctly under current rules.

Why a buyer looks: A PE buyer's due-diligence team will recompute effective hourly pay and interrogate holiday-

pay calculation methods; undocumented or unreviewed pay practices are scrutinised closely because any gap affects what the buyer inherits.

Data protection / GDPR adviser Before market

Someone who helps you confirm the legal basis on which you hold and use residents' health records and other sensitive data, and checks your documentation is complete.

Why a buyer looks: Buyers' legal teams specifically check that special-category (health) data is mapped with a documented legal basis; an incomplete ROPA or gaps in lawful-basis analysis is an area they flag during data-protection due diligence.

VAT adviser Before market

A specialist who reviews how you recover VAT on your costs, given that care fees are largely exempt from VAT — this affects how much input VAT you can reclaim and how it is calculated.

Why a buyer looks: A buyer's tax team will check the partial-exemption method used and whether input-VAT recovery is calculated correctly and consistently; an undocumented or unreviewed method is an area they examine for potential historic exposure.

Corporate finance adviser (M&A) Now

An adviser who helps you prepare the business financially for sale, run the sale process, and negotiate terms with buyers on your behalf.

Why a buyer looks: PE buyers are sophisticated, adviser-led acquirers; having your own adviser ensures the financial narrative, EBITDARM normalisation, and deal structure are presented to the standard these buyers expect.

Care-sector solicitor Before market

A solicitor experienced in care-home transactions who reviews your contracts, regulatory position, and constitutional documents for sale-readiness.

Why a buyer looks: Buyers' legal teams will examine resident contracts, LA framework agreements, top-up arrangements and the share-transfer mechanics; having your own solicitor review these before market means you are not surprised by queries during the deal.

Section scorecard

A one-line scan across all areas. The detail follows later — start here to see where to look.

| Section | Score | Status | Main concern | Main strength |
|---------------------------------|-------|--------|--|--|
| S2 Operating Model | 3.1 | Amber | No written delegation matrix — decision-making structure is understood informally but not documented | Written three-year strategic plan with measurable objectives reviewed quarterly |
| S3 CQC & Regulatory | 3.7 | Green | Action plans not pulled into a single auditable tracker with evidenced closure | Good overall and in all five key questions at the November 2024 inspection |
| S4 Workforce | 3.2 | Amber | Agency at 22% of care hours with no written reduction plan — above the range PE buyers typically expect | Long-tenured senior care staff and below-sector-average overall turnover |
| S5 Property & Leases | 3.4 | Amber | Deferred capex backlog (flat roof, two assisted bathrooms) uncosted and unsurveyed | Single freehold site owned outright — no lease complexity |
| S6 Commercial Contracts | 3.2 | Amber | Revenue mix documented but not trended — no 12-month view of how LA/self-pay/CHC split has moved | 93% average occupancy over the trailing 12 months, stable trajectory |
| S7 Financial Hygiene | 2.9 | Amber | Management accounts produced quarterly in arrears with inconsistent format — no monthly run-rate visible | Clean, unqualified statutory accounts filed on time with going concern confirmed |
| S8 Data Protection | 3.1 | Amber | ROPA incomplete — special-category (health) data not fully mapped, and processors not all listed | Annual mandatory data-protection training with tracked completion |
| S9 Governance | 3.1 | Amber | Owner dependency at 2/5 — relationships, fee negotiations, and operational decisions all concentrated in the owner | Single trading company, 100% owner-held — a clean, simple corporate structure |

Your priorities for the next 30 days

Start here. The full action plan, with owners, timeframes and what you can disclose before fully fixing, is near the back.

| # | Do | Issue | Why it matters | First action | Adviser? |
|---|------------|--|--|--|----------|
| 1 | Fix now | Management accounts produced quarterly in arrears with inconsistent format — no monthly run-rate | PE buyers want 12 months of consistent monthly accounts; quarterly, late packs are one of the most common reasons buyer confidence stalls during financial DD. | Agree a monthly close calendar with your accountant and produce the first monthly pack in the new consistent format | No |
| 2 | Fix now | Deferred capex backlog (flat roof, two assisted bathrooms) uncosted and unsurveyed | Buyers commission their own surveys; an uncosted backlog lets them set the number conservatively — having your own professional estimate gives you a defensible position in the conversation. | Instruct a RICS-qualified building surveyor to inspect and cost the flat roof section and two assisted bathrooms within 30 days | No |
| 3 | Fix now | Owner dependency at 2/5 — relationships, decisions, and operational know-how concentrated in the owner | PE buyers scrutinise owner dependency closely; a business where value is tied to the seller is treated differently than one where it is embedded in the team and systems. | Produce a one-page owner-dependency map and begin funder relationship introductions for the top two LA commissioner relationships | No |
| 4 | Fix now | No rolling 13-week cash-flow forecast — cash managed from the bank balance | PE buyers treat a rolling cash-flow forecast as a basic hygiene requirement; its absence signals weak financial control to a financially sophisticated acquirer. | Build a 13-week direct cash-flow forecast template and begin running and back-testing it weekly | No |
| 5 | Fix now | Agency at 22% of care hours with no written reduction plan | Agency at 22% is above the range PE buyers typically look for; buyers' financial teams will recompute staffing cost and examine whether margins are sustainable without a credible reduction plan. | Build a three-month agency tracker with back-history and draft a dated reduction plan with specific recruitment actions for the vacancies driving dependency | No |
| 6 | Get advice | ROPA incomplete — special-category (health) data not fully mapped and | Buyers' legal teams specifically test the lawful basis for special-category health data; an incomplete ROPA with unconfirmed | Complete the ROPA structure yourself (all processing activities listed with purpose, systems, recipients, retention), then | Yes |

| # | Do | Issue | Why it matters | First action | Adviser? |
|----|-----------------------|---|---|--|----------|
| | | Article 9 conditions not confirmed | Article 9 conditions is one of the areas flagged during data-protection DD. | engage a data-protection adviser to confirm the Article 9 conditions for health data processing | |
| 7 | Prepare before market | No documented exit-transition plan and no trained successor in place | For a PE buyer, the exit-transition plan is what converts dependency-reduction work into a credible deal story — without one, the owner-dependency risk has no structured answer. | Draft an exit-transition plan covering what the owner does today, who takes each responsibility and when, and a bench-readiness table for each second-tier role | No |
| 8 | Get advice | VAT partial-exemption method not formally reviewed | Buyers' tax advisers will check the partial-exemption method used to recover input VAT; an undocumented or unreviewed method is an area that prompts further examination. | Engage your VAT adviser to review, confirm, and document the partial-exemption method currently in use | Yes |
| 9 | Get advice | Holiday-pay calculation method not reviewed recently | Buyers' advisers will examine holiday-pay calculation methods closely; the reference period and included pay elements are an area that warrants documented, professional confirmation. | Document the current holiday-pay calculation basis with worked examples and have it reviewed by your employment or payroll adviser | Yes |
| 10 | Prepare before market | KPIs tracked but variances noted rather than acted on — no named owner or target per metric | PE buyers examine KPI review minutes to check whether variances drove corrective action; reporting without action trails reads as administrative, not managerial. | Add a named owner and target to each existing KPI; extend the dashboard with financial and people metrics; begin recording corrective actions in management meeting minutes | No |
| 11 | Prepare before market | No formal data-sharing agreements with LAs and NHS despite active data flows | Buyers' legal teams check that every significant health-data flow to LAs and NHS bodies is governed by a current signed agreement; missing agreements for health data are flagged as compliance gaps. | Map all external data-sharing flows, identify those with no agreement, and prioritise obtaining signed data-sharing agreements for health-data flows with LAs and NHS bodies first | No |
| 12 | Prepare before market | Revenue mix documented but not trended; LA funder | Buyers check the trend in revenue mix over 12 months and test whether funder | Build a 12-month revenue-mix trend by funder type and start a funder | No |

| # | Do | Issue | Why it matters | First action | Adviser? |
|----|------------------------------|--|--|---|----------|
| | | relationships owner-held with no engagement log | relationships are genuinely transferable — an owner-held contact list without an engagement log reads as fragile demand. | engagement log documenting the last three contacts with each LA commissioner | |
| 13 | Prepare before market | Action plans not consolidated into a single auditable tracker with evidenced closure | Buyers' regulatory advisers sample closed actions and ask for the underlying evidence; action plans scattered across separate documents without a master tracker reduce confidence in the quality picture. | Consolidate all open and recently closed regulatory action plans into one tracker with named owners, dates, and attached closure evidence | No |

Detailed section findings

S2 · Operating Model Amber

Maple Court's operating model has clear strengths in strategic direction and culture but is held back by the absence of written processes and a delegation framework — both of which a PE buyer is likely to scrutinise as evidence of a business that can run without the founder. The performance-management picture is improving but needs a move from retrospective reporting to action-driven reviews.

A written three-year strategy and strong cultural assets provide a good platform. The priority gaps are process documentation, a formal delegation matrix, and upgrading the KPI dashboard from reporting to genuinely action-driven performance management.

STRONGEST AREAS

- Written three-year strategic plan with measurable objectives reviewed quarterly
- Strong, settled caring culture evidenced by long-tenured care staff and low complaint volume
- Monthly KPIs already tracked (occupancy, agency %, complaints) — a foundation to build on

WEAKEST AREAS

- No written delegation matrix — decision-making structure is understood informally but not documented
- Core processes (admissions, medication, on-call) live in people's heads, not in SOPs
- KPIs tracked monthly but variances noted rather than acted on — no owner or target per metric

WHAT TO DO NEXT

- Draft a delegation matrix covering financial approval bands, recruitment, and admissions decisions — even a one-page table is a significant step
- Identify the five highest-risk processes (medication, safeguarding, admissions, on-call, rostering) and begin documenting SOPs, starting with the ones most dependent on a single person
- Add a named owner and a target threshold to each existing KPI, and record a corrective action alongside any variance at the next management meeting

S3 · CQC & Regulatory Green

Maple Court's CQC position is the standout strength of this readiness assessment — Good across all five key questions at the most recent inspection in November 2024, with a stable three-inspection trajectory. The gaps that remain (action-plan consolidation, mortality-review cadence, medication trend analysis) are organisational tidy-up rather than substantive regulatory concerns.

A genuine green section. The immediate task is consolidating action plans into a single auditable tracker and formalising the mortality-review cadence, so the excellent underlying position is fully evidenced for buyers.

STRONGEST AREAS

- Good overall and in all five key questions at the November 2024 inspection
- Stable Good trajectory across three inspections (2019, 2022, 2024)
- IPC audits current, training up to date, and no outbreaks since 2022

WEAKEST AREAS

- Action plans not pulled into a single auditable tracker with evidenced closure
- Mortality-review root-cause process is informal rather than a fixed cadence
- Medication error trend data not yet used systematically alongside audit results

WHAT TO DO NEXT

- Consolidate all open and recently closed action plans into one tracker with named owners, dates, and attached closure evidence
- Formalise the mortality-review process with a written cadence, root-cause template, and an action log cross-referenced to the main action tracker
- Produce a 12-month medication-error trend chart from the existing log to sit alongside audit results

S4 · Workforce Amber

Maple Court has a genuinely strong permanent workforce base — long-tenured senior staff, below-sector turnover, and over 95% mandatory training completion. The two areas that weigh on this section for a PE buyer are agency dependence at 22% and the absence of a written reduction plan, plus the holiday-pay calculation method that has not been reviewed recently.

Strong permanent workforce and compliance infrastructure. The priority work is building a credible, documented agency-reduction programme and ensuring pay-compliance documentation is in order before advisers review it.

STRONGEST AREAS

- Long-tenured senior care staff and below-sector-average overall turnover
- Mandatory training matrix at over 95% completion, tracked monthly
- DBS register current with renewal tracking and no gaps

WEAKEST AREAS

- Agency at 22% of care hours with no written reduction plan — above the range PE buyers typically expect
- Holiday-pay calculation method not reviewed recently — an area to document and confirm with an adviser
- IR35 status not formally assessed for the one or two direct contractors in use

WHAT TO DO NEXT

- Build the agency tracker with at least three months of back-history and begin drafting the reduction plan with a baseline, target, and named recruitment actions
- Document the holiday-pay calculation basis with worked examples and flag it for review by your payroll or employment adviser
- Complete employment-status assessments for direct contractors and file the results

▮ Holiday-pay calculation method and sleep-in treatment are areas where the right answer turns on legal/regulatory interpretation — document your current approach and confirm it with your employment or payroll adviser before going to market.

S5 · Property & Leases Amber

The property position is clean at its core — a single freehold site, current statutory certificates, and reviewed buildings insurance. The gap that matters most for a PE buyer is the uncosted capex backlog; without a surveyed, quantified number, buyers are likely to apply their own (conservative) estimate.

Strong statutory compliance and clean freehold tenure. Commissioning a building survey to cost the flat roof and bathroom backlog is the single most impactful property action before going to market.

STRONGEST AREAS

- Single freehold site owned outright — no lease complexity
- Fire, gas, electrical, and asbestos certificates all current and filed
- Buildings reinstatement cover reviewed in 2024 with no material claims

WEAKEST AREAS

- Deferred capex backlog (flat roof, two assisted bathrooms) uncosted and unsurveyed
- 2022 condition survey is becoming dated — may need refreshing before or alongside sale
- Planning conditions documented but not actively monitored against each condition

WHAT TO DO NEXT

- Commission a building surveyor to inspect and cost the flat roof section and assisted bathrooms — aim to have a costed, prioritised register within 30 days
- Review the 2022 condition survey and decide whether a full refresh is warranted given the known backlog items
- Create a one-page planning-conditions schedule confirming compliance with each condition attached to the consent

S6 · Commercial Contracts Amber

The commercial foundation is solid — 93% occupancy, a 55% self-pay mix, published fee schedule with annual uplift, and no material insurance claims. The gaps cluster around documentation and active management: revenue mix not trended, funder relationships held personally by the owner, and top-up and resident contracts not recently checked against current guidance.

Strong occupancy and self-pay mix are real positives. The priority tasks are trending the revenue mix, consolidating the supplier-contract schedule, and documenting funder relationships so they are not owner-dependent.

STRONGEST AREAS

- 93% average occupancy over the trailing 12 months, stable trajectory
- 55% self-pay mix — strong pricing power relative to sector average
- Published self-pay fee schedule with transparent annual uplift clause

WEAKEST AREAS

- Revenue mix documented but not trended — no 12-month view of how LA/self-pay/CHC split has moved
- LA funder relationships held personally by the owner with no engagement log
- Resident and top-up contracts not recently checked against CMA or Care Act guidance

WHAT TO DO NEXT

- Build a 12-month revenue-mix trend showing £ and % by funder type, with the concentration flags called out
- Create a funder contact register and start an engagement log — document the last three conversations with each LA case manager
- Review resident contract and top-up agreement templates against the CMA 2018 guidance; flag any clauses for legal review before market

▸ Resident contract fairness and top-up compliance with the Care Act 2014 turn on legal interpretation — a care-sector solicitor review of the templates before market is worth considering.

S7 · Financial Hygiene Amber

Maple Court's financial hygiene section is the most pressing area across the whole report — two of the four priority-9 gaps sit here. Clean statutory accounts and a comfortable banking position are genuinely reassuring, but quarterly management accounts produced several weeks in arrears and no rolling cash-flow forecast are the two things most likely to make a PE buyer's financial team hesitant.

Statutory accounts are clean and the banking position is comfortable. The urgent task is converting to monthly management accounts with a short close lag and building a rolling 13-week cash-flow forecast — both are owner-led improvements that can be achieved within two to three months.

STRONGEST AREAS

- Clean, unqualified statutory accounts filed on time with going concern confirmed
- Comfortable banking headroom, no covenant breaches
- Debtor days around 35, with aged debtors tracked monthly

WEAKEST AREAS

- Management accounts produced quarterly in arrears with inconsistent format — no monthly run-rate visible
- No rolling 13-week cash-flow forecast — cash managed from the bank balance
- VAT partial-exemption method not formally reviewed — an area to confirm with a VAT adviser

WHAT TO DO NEXT

- Agree a monthly close calendar with your accountant this week, targeting management accounts within 10–15 working days of month-end with a consistent format

- Build a 13-week direct cash-flow forecast template and begin running it weekly from next month
- Ask your VAT adviser to review and document the partial-exemption method currently in use

▮ The VAT partial-exemption method is a technical area that should be confirmed with a qualified VAT adviser before market, rather than asserted as correct.

S8 · Data Protection Amber

Maple Court has good building blocks in place — annual mandatory training at high completion, secure digital care records, and a breach register in operation. The priority gap is the incomplete ROPA: special-category (health) data is not fully mapped, and without a complete record of processing activities, the rest of the data-protection picture cannot be properly evidenced to a buyer.

Solid training and care-record infrastructure. Completing the ROPA with full special-category mapping and addressing the gaps in data-sharing agreements and the agency-portal DPIA are the priority tasks before market.

STRONGEST AREAS

- Annual mandatory data-protection training with tracked completion
- Secure, access-controlled digital care records rated at 4/5
- Breach register in operation with one minor incident in 2023 properly assessed

WEAKEST AREAS

- ROPA incomplete — special-category (health) data not fully mapped, and processors not all listed
- No formal data-sharing agreements with LAs and NHS despite active data flows
- DPIA not completed for the agency-staff portal

WHAT TO DO NEXT

- Complete the ROPA, starting with the special-category (health) data rows — map every processing activity to a lawful basis and Article 9 condition
- Identify the LA and NHS data-sharing flows with no agreement and prioritise obtaining signed agreements for health-data flows first
- Complete a DPIA for the agency-staff portal and add a mitigation action list

▮ The lawful basis and Article 9 condition for special-category health data processing, and whether a statutory DPO is required, are areas to confirm with a data-protection adviser before relying on them.

S9 · Governance Amber

Maple Court has a genuinely clean corporate structure — single trading company, current filings, no litigation — and a monthly management meeting with minutes. The two gaps that weigh most heavily with a PE buyer are owner dependency (score 2/5) and the absence of an exit-transition plan (score 2/5), both of which go to whether value can survive the owner's departure.

Clean corporate structure and no litigation. The strategic priority is treating owner dependency and exit-transition planning as a single connected programme — they cannot be solved separately.

STRONGEST AREAS

- Single trading company, 100% owner-held — a clean, simple corporate structure
- Companies House filings, statutory registers, and PSC register all current
- No active or threatened litigation and no known contingent liabilities

WEAKEST AREAS

- Owner dependency at 2/5 — relationships, fee negotiations, and operational decisions all concentrated in the owner
- No documented exit-transition plan and no trained successor in place
- No written delegated-authority matrix or reserved-matters schedule

WHAT TO DO NEXT

- Produce a one-page owner-dependency map listing every external relationship and recurring decision, with a named internal successor or action for each
- Draft a first version of the exit-transition plan — who does what today, who takes over which responsibilities, and over what timeline
- Document the delegated-authority matrix, even informally, covering financial approval bands and escalation paths

Priority gap deep-dives

4.3 · Agency Dependence Fix now

GOOD
 2/5 · good = 4

In plain terms. Agency dependence measures how much of your care hours are delivered by temporary staff hired through external agencies, rather than your own employed team. The higher the proportion, the higher your wage cost per hour and the more a buyer worries about whether the home can sustain its margins.

What is wrong now. Agency accounts for approximately 22% of care hours, concentrated with two providers, at a cost premium over permanent staff. There is no written plan to reduce this, and no tracker showing the trend month by month.

Why it matters to your buyer. Agency dependence at 22% is above the range PE and consolidator buyers typically expect, and the concentration with two providers adds supply-chain risk. Buyers' financial due-diligence teams will recompute your staffing cost in detail and scrutinise whether your EBITDA is sustainable — a high agency ratio with no reduction plan is one of the areas that prompts the closest scrutiny. Having a written, evidenced reduction plan with a downward trend already started is what separates a 'managed situation' from an open question in their minds.

What "good" looks like. A monthly tracker showing agency hours, cost, and percentage by role and provider, running for at least three months, with a written reduction plan stating the baseline, a target range, the specific vacancies driving dependency, named recruitment actions, and monthly milestones. Preferred-supplier agreements with your main providers should be signed, setting agreed rates and escalation terms.

What to build. An agency-management pack: tracker, reduction plan, and preferred-supplier agreement(s).

Use the ready-made toolkit for this: [Template 4.3-A](#) (p. 44), [Worksheet 4.3-B](#) (p. 44) — in the appendix.

WHAT TO DO THIS MONTH

- Pull together three months of back-data from payroll/rosters: total care hours, agency hours, agency % by role (carer/nurse/night), and spend by provider
- List the specific permanent vacancies driving the dependency — nights appear to be a known pressure point — and assign a named recruitment action to each
- Draft a one-page reduction plan with your baseline (22%), a target range informed by what your recruitment pipeline can realistically deliver, and monthly milestones

When to use an adviser. The core work here is yours to lead — building the tracker and plan does not require specialist advice. The one area to flag: if you use any direct (non-payrolled) contractors rather than agency-supplied workers, their employment status and IR35 position is worth confirming with your employment or payroll adviser before a buyer raises it.

QUESTIONS A BUYER IS LIKELY TO ASK

- What percentage of hours and cost is agency, and who are your top providers?
- What is your plan to reduce agency dependence, and what progress have you made so far?

- Which specific vacancies are driving the dependency, and what is your time-to-hire for those roles?
- Do any of your agency arrangements contain exclusivity or buy-out clauses?

RECOMMENDED PREPARATION

Build a monthly agency-management tracker with at least three months of back-history

WHAT TO BUILD & INCLUDE One Excel tab per month: total care hours, agency hours, agency % of hours, agency spend (£), cost-per-hour versus permanent cost-per-hour (the premium), split by provider, split by role (nurse/carer/night), with a reason code per block (vacancy/sickness/acuity spike). Aim to have this running and updated monthly going forward.

HOW TO DECIDE FOR YOUR HOME Use your existing payroll and roster data — the numbers are already there, they just need assembling in one place. Start from three months ago and work forward. PE buyers typically look for agency under 10–15% of hours; where your target sits within that range is your call based on your recruitment pipeline and timescale.

WHAT THE BUYER LOOKS FOR A buyer's adviser will recompute agency % from your payroll and roster data independently. Having your own tracker that reconciles to those sources removes a source of surprise and shows the situation is managed, not just known.

Write a dated, costed agency-reduction plan with named recruitment actions and monthly milestones

WHAT TO BUILD & INCLUDE A 1–2 page narrative covering: baseline (22%), your target percentage and the date by which you aim to reach it, the specific roles and shifts driving the dependency (especially nights), the recruitment channels and actions to fill those vacancies, and a month-by-month milestone table.

HOW TO DECIDE FOR YOUR HOME Prioritise roles where the agency cost-per-hour premium is highest and where vacancies are most fillable quickly — nights are usually both. Set a target you can credibly hit given your recruitment pipeline, not an aspirational number.

WHAT THE BUYER LOOKS FOR An uncosted, undated plan reads as intent. A plan with milestones, named actions, and an early downward trend in the tracker signals active management — which is what a buyer needs to see to treat this as a solvable problem rather than a structural cost.

A detailed template for this is in the Technical templates appendix.

Sign preferred-supplier agreements with your main two agency providers

WHAT TO BUILD & INCLUDE Negotiate and document agreed charge rates, notice periods, priority/preferred-supply terms, and named escalation contacts with each provider. Even a short written letter of agreed terms is materially better than purely informal arrangements.

HOW TO DECIDE FOR YOUR HOME Use your existing relationship and volume as leverage — you are a significant customer for both providers. The goal is to cap the cost premium and secure supply continuity, not necessarily to lock yourself in long-term.

WHAT THE BUYER LOOKS FOR Buyers flag single-provider concentration and any exclusivity or buy-out clauses as supply risk. A documented, non-exclusive preferred-supplier arrangement with agreed rates de-risks this and shows commercial control.

THIS SECTION'S TEMPLATES & WORKSHEETS (S4 WORKFORCE & CONTINGENT LABOUR)

- **Template 4.3-A** (p. 44) — An agency-management pack: a monthly agency tracker with at least 3 months of back-history, a written agency-reduction plan, and signed preferred-supplier agreement(s) with your main provider(s).
- **Worksheet 4.3-B** (p. 44) — Agency Dependence: decisions to make

5.6 · Deferred Capex / Maintenance Backlog Fix now

GOOD

2/5 · good = 4

In plain terms. A deferred capex or maintenance backlog is simply the list of building repairs and improvements you know need doing but have not yet done. 'Deferred' means the work has been put off — and in your case the specific items (flat roof section, two assisted bathrooms) are known but have not yet been surveyed or costed.

What is wrong now. There is a known backlog covering at least a flat roof section and two assisted bathrooms. Neither item has been surveyed by a professional, so there is no cost estimate or urgency classification. The 2022 condition survey exists but is becoming dated, and there is no planned maintenance programme (PPM) documented to show how recurring servicing is managed.

Why it matters to your buyer. Buyers commission their own building surveys as a matter of course. When their surveyor finds items you have not costed, it creates two problems: the uncosted items become the buyer's estimate (which is almost always higher than reality), and finding something you knew about but had not quantified raises questions about what else might be unacknowledged. An uncosted backlog is scrutinised closely because it directly affects the buyer's view of required investment. Having your own costed, prioritised register is the most straightforward way to control that conversation.

What "good" looks like. A building surveyor's report quantifying each backlog item with an estimated cost and an urgency band (immediate/short/medium term), feeding a capex register and a planned maintenance programme that shows the backlog being worked down over time. Safety-critical items should be called out separately.

What to build. A costed deferred-capex register with urgency bands, plus a PPM schedule for recurring servicing.

Use the ready-made toolkit for this: **Template 5.6-A** (p. 45), **Worksheet 5.6-B** (p. 45) — in the appendix.

WHAT TO DO THIS MONTH

- Instruct a building surveyor to inspect the flat roof section and two assisted bathrooms and provide a written condition report with cost estimates — aim to have this in hand within 30 days
- While waiting for the survey, list every other known maintenance item (however minor) with your best estimate of cost and urgency, to form the starting register
- Pull together the PPM records — boiler, lifts, fire systems, nurse-call — to show recurring servicing is tracked and contracted

When to use an adviser. This is owner-led work. You do not need a specialist adviser to commission a building survey or build a capex register. The one sub-point to be aware of: if the survey identifies a

statutory compliance item (for example, a fire-safety or asbestos issue not previously recorded), the correct response route should be confirmed with the relevant specialist rather than decided internally.

QUESTIONS A BUYER IS LIKELY TO ASK

- Show us the latest condition surveys and the deferred maintenance backlog with cost estimates and urgency.
- What planned maintenance programme is in place for recurring statutory and building servicing?
- Are any backlog items safety-critical or compliance-related?

RECOMMENDED PREPARATION

Commission a professional building condition survey covering the known backlog items

WHAT TO BUILD & INCLUDE Instruct a RICS-qualified building surveyor to inspect the flat roof section and both assisted bathrooms and provide a written report with: condition rating, recommended works, indicative cost range, and urgency (immediate / 1–2 years / 3–5 years). Ask them to flag any statutory compliance implications. Budget to receive the report within 30 days.

HOW TO DECIDE FOR YOUR HOME This is a straightforward spend — the cost of a survey is small relative to the certainty it provides. Prioritise the flat roof (weather-tightness risk) and the bathrooms (resident safety and compliance) given they are both the highest-risk category.

WHAT THE BUYER LOOKS FOR Buyers commission their own surveys. Arriving with your own professional report shows you understand and have quantified the position — and gives you a defensible basis for the cost estimate rather than leaving the buyer to set it.

Build a deferred-capex register and PPM schedule in Excel

WHAT TO BUILD & INCLUDE One tab as the backlog register (columns: site, description, category — statutory/safety, fabric, M&E, decor — estimated cost, urgency band, status, date completed/target). One tab as the PPM schedule (service, frequency, contractor, last done, next due). Include a totals row showing the immediate/safety-critical subtotal and the total backlog.

HOW TO DECIDE FOR YOUR HOME Prioritise safety-critical and compliance items first in the register; then works that affect occupied rooms or revenue (rooms out of use); then cosmetic. Decide which items to clear before sale versus disclose — safety-critical items should generally be addressed; discretionary refurbishment can be presented as buyer-priced future spend.

WHAT THE BUYER LOOKS FOR A register with a quantified total, an urgency split, and a burn-down trend showing items being completed over time reads as active management. A static, uncosted list reads as reactive maintenance, and buyers are likely to assume the true number is higher.

A detailed template for this is in the Technical templates appendix.

THIS SECTION'S TEMPLATES & WORKSHEETS (S5 PROPERTY & LEASES)

- **Template 5.6-A** (p. 45) — A deferred-capex / maintenance backlog register with cost estimates and urgency, paired with a planned (preventive) maintenance programme that is demonstrably working the backlog down.
- **Worksheet 5.6-B** (p. 45) — Deferred Capex / Maintenance Backlog: decisions to make

7.2 · Management Accounts Cadence Fix now

GOOD
 2/5 · good = 4

In plain terms. Management accounts are the regular financial reports — typically monthly — that show how the business is performing between annual accounts. Cadence means how often they are produced, how quickly after the period ends, and whether the format is consistent each time so you can compare one month to the next.

What is wrong now. Management accounts are currently produced quarterly, several weeks in arrears, in an inconsistent format. There is no clear monthly run-rate visible, which means it is not possible to see, for example, what occupancy, staffing cost, and EBITDA looked like in any individual month.

Why it matters to your buyer. A PE buyer is a data-hungry, financially sophisticated acquirer. Their due-diligence team will ask for the last 12 months of management accounts by site and will check both the production date and the consistency of format across those months. Quarterly, late, and inconsistent accounts are one of the most common reasons a buyer's confidence in a financial story stalls — not because the numbers are wrong, but because the buyer cannot see the trend or verify the month-by-month picture. Establishing a monthly close cadence before going to market is one of the highest-return preparation steps available.

What "good" looks like. Monthly management accounts produced within 10–15 working days of month-end, in a consistent format covering group and by-site P&L, balance sheet, and a KPI dashboard (occupancy, EBITDARM, agency %, fee mix). Commentary explains variances and records the decisions made in response — showing the accounts are used to run the business, not just produced.

What to build. A monthly management-accounts pack with a documented close calendar and at least three consecutive months of consistent production before going to market.

Use the ready-made toolkit for this: [Template 7.2-A](#) (p. 46), [Worksheet 7.2-B](#) (p. 46) — in the appendix.

WHAT TO DO THIS MONTH

- Agree a monthly close calendar with your accountant, listing each close task, who owns it, and the target day — aim for accounts available within 10–15 working days of month-end
- Agree the consistent format: group P&L, by-site P&L, care-specific KPI page (occupancy %, average weekly fee, fee mix, EBITDARM, agency % of hours and cost, staffing cost % of revenue), with prior-month and prior-year comparatives
- Run the first monthly close under the new format for the most recently completed month and use it as the template for all subsequent months

When to use an adviser. This is owner-led work in collaboration with your accountant. You do not need specialist advice to improve cadence and format. The one technical point: if you are unsure how to calculate EBITDARM and apply the normalisations a buyer is likely to expect (rent, owner remuneration, one-off items), your accountant or corporate finance adviser can help you frame this correctly — it is worth getting right before market.

QUESTIONS A BUYER IS LIKELY TO ASK

- How quickly do you close management accounts, and can we see the last 12 months in a consistent format by site?
- Can you produce EBITDARM by site with the normalisations a buyer is likely to apply?
- How do your occupancy and staff-cost percentages compare over time — can we see the monthly trend?

RECOMMENDED PREPARATION

Agree and document a monthly close calendar with your accountant

WHAT TO BUILD & INCLUDE A one-page schedule listing each close task (bank reconciliation, payroll posting, accruals, debtor/creditor cut-off, management-accounts pack production), the named owner, and the target working day after month-end. The pack should be available to management within 10–15 working days of month-end — agree a specific target day you will actually hit.

HOW TO DECIDE FOR YOUR HOME Set a target lag you will actually hit given your current finance resource — if day 12 is realistic but day 8 is not, commit to day 12 and hit it consistently. A sustained run of on-time packs is worth more to a buyer than a single fast close.

WHAT THE BUYER LOOKS FOR A buyer's adviser checks the actual production date of each pack against month-end across multiple months. Consistent, on-time production over three or more months signals a business with real financial visibility — not one that assembled numbers for the data room.

A detailed template for this is in the Technical templates appendix.

Standardise the management-accounts pack format and produce at least three consecutive monthly packs before going to market

WHAT TO BUILD & INCLUDE Fix the format so every month uses the same line items, the same KPI definitions, and the same comparative columns (budget, prior month, prior year). Include: group P&L, by-site P&L, EBITDARM bridge (from gross revenue to EBITDARM with each adjustment labelled), and a one-page KPI dashboard. Add a short commentary section explaining material variances and the action taken.

HOW TO DECIDE FOR YOUR HOME Choose the KPIs for the dashboard from what drives value in this business — occupancy %, average weekly fee and fee mix, EBITDARM by site, staffing cost % of revenue, and agency % of hours and cost are the core set for a PE buyer. Keep the format simple enough that your accountant can produce it every month without reinventing it.

WHAT THE BUYER LOOKS FOR A PE buyer's financial DD team will read twelve consecutive months of management accounts. Consistent format across all twelve is what allows them to build their own model with confidence — shifting line items or changing KPI definitions from month to month creates rework and raises questions about what changed and why.

7.6 · Cash Flow Forecasting Fix now

GOOD
 2/5 · good = 4

In plain terms. A rolling 13-week cash-flow forecast is a forward-looking week-by-week view of money coming in and going out, so you can see your cash position up to three months ahead.

'Rolling' means it is updated every week, always showing the next 13 weeks — rather than a fixed budget built once.

What is wrong now. There is no rolling 13-week forecast in place. Cash is currently managed by watching the bank balance. This means there is no visibility of the projected cash position in four, eight, or twelve weeks' time, and no back-tested track record of forecast accuracy to show a buyer.

Why it matters to your buyer. For a PE buyer, a rolling cash-flow forecast is a basic hygiene requirement — it is the tool that shows a management team is genuinely in control of the business's liquidity rather than reacting to it. Buyers' financial due-diligence teams will ask whether one exists, request the back-testing log, and use it as a proxy for overall financial-management maturity. A home with clean statutory accounts but no forecast reads as a business where financial control stops at the annual filing.

What "good" looks like. A weekly Excel forecast showing opening cash, receipts (by funder type, reflecting LA/CHC payment cycles), payroll runs, agency costs, rent/finance, tax payments, and other operating outflows — to a closing cash position for each of the next 13 weeks. Updated every week, with a back-testing log comparing forecast to actual, and a sensitivity showing what happens to the low-point if occupancy dips or an LA payment delays.

What to build. A rolling 13-week direct cash-flow forecast with a weekly update routine and a forecast-versus-actual accuracy log.

Use the ready-made toolkit for this: [Template 7.6-A](#) (p. 47), [Worksheet 7.6-B](#) (p. 47) — in the appendix.

WHAT TO DO THIS MONTH

- Build a simple 13-week direct cash-flow template in Excel — you do not need a complex model; a weekly row for each major cash line (LA/self-pay receipts, payroll, agency, utilities, rent/finance, PAYE/VAT) is sufficient to start
- Populate the first version using your known payment cycles — when LA remittances typically arrive, payroll dates, quarterly tax dates — and run it alongside the bank balance for a month to begin building an accuracy track record
- Note the minimum projected cash position week by week and compare it to your overdraft facility headroom

When to use an adviser. Building a cash-flow forecast is straightforward owner-led work. You do not need specialist advice to start. If you are uncertain how to model LA/CHC receipt timing or PAYE/VAT payment cycles, your accountant can help set up the initial template — a session or two is usually sufficient.

QUESTIONS A BUYER IS LIKELY TO ASK

- Do you run a rolling 13-week cash-flow forecast, and how accurate has it been?
- What is your projected minimum cash position over the next 13 weeks?
- How do you model the impact of a delayed LA payment or an occupancy dip on your cash position?

RECOMMENDED PREPARATION

Build and begin running a rolling 13-week direct cash-flow forecast in Excel

WHAT TO BUILD & INCLUDE Weekly columns for 13 weeks. Row groups: (1) Opening cash balance; (2) Receipts — LA/CHC remittances (by authority), self-pay receipts, other income; (3) Payments — payroll (permanent), agency spend, food and consumables, utilities, rent/mortgage, PAYE/NIC/VAT settlement dates, other operating; (4) Net cash movement; (5) Closing cash balance; (6) Headroom against overdraft facility. Update weekly by rolling forward one week and actioning the most recent actual.

HOW TO DECIDE FOR YOUR HOME Model receipts based on your actual LA payment cycles — some councils pay monthly in arrears, others have their own schedule. Self-pay receipts are typically more predictable. Use your payroll calendar for payment dates. The goal is a forecast that reflects how cash actually flows, not an idealised version.

WHAT THE BUYER LOOKS FOR A buyer's adviser will ask to see the forecast and the back-testing log. A forecast that has been running for two or three months with actuals tracked against it — even if not perfectly accurate — demonstrates a management discipline. A forecast produced for the first time at data-room stage reads as a document, not a tool.

Build a forecast-versus-actual accuracy log and run two or three sensitivity scenarios

WHAT TO BUILD & INCLUDE Each week, record: forecast closing cash vs actual closing cash, the £ variance, and a one-line reason for any material difference. After four weeks, summarise the average absolute variance as a percentage of forecast. For sensitivities, model three scenarios: (a) occupancy drops by five percentage points for four weeks; (b) a major LA payment delays by two weeks; (c) agency hours spike by five percentage points for a month. Show the impact on the weekly cash low-point and headroom.

HOW TO DECIDE FOR YOUR HOME Base the sensitivity assumptions on your own history — use the occupancy dip and LA delay magnitudes you have actually experienced, not arbitrary percentages. This makes the scenarios credible and shows you understand your own business's cash dynamics.

WHAT THE BUYER LOOKS FOR Scenarios show a buyer's financial team that you have thought about downside cash risk, not just planned for the base case. A sensitivity that shows comfortable headroom even under a realistic downside is a positive signal — one that shows a cliff edge is a flag they will probe.

THIS SECTION'S TEMPLATES & WORKSHEETS (S7 FINANCIAL HYGIENE)

- **Template 7.2-A** (p. 46) — A management-accounts pack with a documented monthly close calendar: the last 3–6 months of management accounts produced to a consistent format, plus a one-page note stating the production cadence and lag time.
- **Worksheet 7.2-B** (p. 46) — Management Accounts Cadence: decisions to make
- **Template 7.6-A** (p. 47) — A maintained rolling 13-week cash-flow forecast with a forecast-versus-actual accuracy log demonstrating a track record of reliable forecasting.
- **Worksheet 7.6-B** (p. 47) — Cash Flow Forecasting: decisions to make

8.2 · Record of Processing Activities (ROPA) Get advice

GOOD
 2/5 · good = 4

Preparation guidance, not advice. This touches a regulated area — confirm the current requirements with your own adviser before acting.

In plain terms. A Record of Processing Activities (ROPA) is simply a log of every way your business uses personal data — residents' health information, staff records, family contact details, CCTV footage — listing what data you hold, why you hold it, who you share it with, and how long you keep it. UK data-protection law requires organisations like care homes to maintain this record.

What is wrong now. A ROPA was started but is incomplete. Most critically, special-category data — health information about residents, which is the most sensitive category of personal data a care home handles — is not yet fully mapped. Processors (software and service suppliers who handle data on your behalf) are also not fully listed.

Why it matters to your buyer. The ROPA is the foundation document that a buyer's legal team will request as part of data-protection due diligence. Without it, you cannot demonstrate that you have identified and documented your legal basis for processing residents' health data — which is the single highest-risk data category in a care home. An incomplete ROPA, particularly one missing the special-category (health) data rows, is one of the areas buyers' legal advisers flag as a gap that needs resolving. Completing it also reveals other gaps (missing processor contracts, unconfirmed retention periods) that are easier to fix once the ROPA is in place.

What "good" looks like. A structured spreadsheet with one row per processing activity — resident care records, medication records, DoLS/MCA records, CCTV, staff HR/payroll, recruitment/DBS, family contacts, GP/pharmacy sharing — each with: purpose, data categories, a lawful basis, an Article 9 condition for special-category health data, the systems it sits in, recipients and data-sharing arrangements, retention period, and a last-reviewed date. Updated at least annually and whenever a new system or process is introduced.

What to build. A complete, current ROPA covering all processing activities, with a dedicated special-category (health) data inventory, signed off by the data-protection owner.

Use the ready-made toolkit for this: [Template 8.2-A](#) (p. 48), [Worksheet 8.2-B](#) (p. 48) — in the appendix.

WHAT TO DO THIS MONTH

- List every system and process that handles personal data — care-planning software, medication records, payroll/HR system, CCTV, agency portal, GP sharing, family contacts — this is your starting inventory
- For each item, draft the ROPA row: purpose, data categories (marking any health data as special-category), who you share it with, and how long you keep it
- Identify the rows where you are unsure of the lawful basis or Article 9 condition — these are the items to take to your data-protection adviser

When to use an adviser. You can and should start building the ROPA yourself using this guidance — the structure and the list of processing activities are yours to create. However, the lawful basis for special-category (health) data processing and whether a statutory DPO is required are determinations that turn

on legal interpretation. Before going to market, confirm the Article 9 conditions you intend to rely on with a data-protection adviser. This is one of the few genuine 'get advice' points in this report — the stakes of getting the legal basis wrong for health data are high enough that it should not be self-asserted.

QUESTIONS A BUYER IS LIKELY TO ASK

- Show us your ROPA, your lawful-basis position for special-category data, and who is accountable for data protection.
- Are all processors listed in the ROPA covered by written Article 28 processor contracts?
- When was the ROPA last reviewed, and what triggered the last update?

RECOMMENDED PREPARATION

Complete the ROPA using a structured spreadsheet, starting with the special-category (health) data rows

WHAT TO BUILD & INCLUDE Build a two-tab spreadsheet. Tab 1 — ROPA: one row per processing activity with columns for purpose, data-subject categories, personal-data categories (with special-category flagged), lawful basis (UK GDPR Article 6), Article 9 condition (for health data), systems/locations, recipients, transfers outside the UK, retention period, last-reviewed date, and owner. Tab 2 — Processor inventory: each third-party system/supplier with a note of whether an Article 28 processor contract is in place.

HOW TO DECIDE FOR YOUR HOME Prioritise the rows that cover the most sensitive data and the highest volumes: resident care records, medication records, DoLS/MCA records, and staff HR/payroll. Get these right first, then complete the remainder. Flag any row where you are unsure of the lawful or Article 9 basis — these are the items to take to your data-protection adviser.

WHAT THE BUYER LOOKS FOR A buyer's legal adviser will pick a processing activity at random — say, your care-planning software or CCTV — and check it appears in the ROPA with a lawful basis, retention period, and processor contract. If it is missing or incomplete, that signals the ROPA is a starting document rather than a maintained record.

Confirm the Article 9 condition for special-category (health) data processing with your data-protection adviser

WHAT TO BUILD & INCLUDE Prepare a list of every processing activity involving health data (resident care records, medication, DoLS/MCA records, health-related HR records) and the Article 9 condition you believe applies. Take this list to your data-protection adviser and ask them to confirm or correct each one. Document their advice and record it alongside the relevant ROPA row.

HOW TO DECIDE FOR YOUR HOME This is not a decision you should make alone — the correct Article 9 condition for a care home's processing of residents' health data is a legal determination. Having it confirmed by an adviser before market means you can present a documented, defensible position rather than one a buyer's legal team will query.

WHAT THE BUYER LOOKS FOR Buyers' legal teams specifically test whether special-category health data is tied to a documented Article 9 condition. A confirmed, documented basis is what lifts this from a gap to a strength — and removes a question that would otherwise recur throughout the legal due-diligence process.

THIS SECTION'S TEMPLATES & WORKSHEETS (S8 DATA PROTECTION & RECORDS)

- **Template 8.2-A** (p. 48) — A complete, current Record of Processing Activities (ROPA) covering the home(s), with an explicit special-category (health) data inventory, dated and signed off by the data-protection owner.
- **Worksheet 8.2-B** (p. 48) — Record of Processing Activities (ROPA): decisions to make

9.11 · Owner Dependency & Value Transferability Fix now

GOOD
 2/5 · good = 4

In plain terms. Owner dependency describes how much of the business's value — its relationships with funders, its commercial judgement, its operational know-how — is currently held by you personally rather than by the organisation. A transferable business is one where value stays in the building when the owner leaves. A dependent one is where value risks leaving with them.

What is wrong now. By your own account, funder relationships (LA case managers and CHC commissioners), fee negotiations, key supplier terms, and most operational judgement currently run through you, with little written down. This is a 2/5 maturity score — the framework describes this as 'heavy owner dependency recognised but not addressed.' The RM and management team are capable, but the business-critical commercial and regulatory relationships are owner-held.

Why it matters to your buyer. For a PE buyer, owner dependency is one of the two or three items that most directly affects their view of the business. They are buying a platform that needs to generate returns for several years under new ownership — and they know that if the relationships and decisions are all held by you, the risk profile changes materially the day you leave. Buyers' due-diligence teams specifically probe this by interviewing the second tier and asking commissioners and the bank who they actually deal with. A business where the answer is 'mainly the owner' invites much closer scrutiny of everything else, and may affect the shape of any transition arrangement they propose. Starting to reduce dependency now — before going to market — gives you time to build demonstrable evidence of transferability rather than making promises about what will happen after a deal.

What "good" looks like. A documented owner-dependency assessment that maps every external relationship and recurring decision, with a named internal successor or transfer action for each. Key funder relationships introduced and logged as being actively managed by the RM or another named manager. An operations manual capturing the commercial know-how currently in the owner's head. Evidence — ideally over several months — that the business ran normally during periods the owner was less involved.

What to build. An owner-dependency reduction pack: assessment, delegation evidence, relationship-handover log, and knowledge-transfer document.

Use the ready-made toolkit for this: [Template 9.11-A](#) (p. 49), [Worksheet 9.11-B](#) (p. 49) — in the appendix.

WHAT TO DO THIS MONTH

- Produce a one-page dependency map listing every external relationship (LA case managers, CHC commissioners, GPs, bank, landlord, key suppliers, top referrers) and every recurring

decision currently made by the owner — scored for how critical it is and how transferable it currently is

- Identify the named internal person who will take over each relationship or decision — even if they are not ready yet, naming them starts the transfer
- For the two or three most critical funder relationships, arrange a joint introduction meeting where you attend alongside the RM or admissions lead, so the commissioner begins to build a relationship with them directly

When to use an adviser. This is owner-led work — no specialist adviser is needed to build the dependency map or begin the handover programme. The one exception: how owner dependency and transition arrangements are best presented and structured in a deal context is something your corporate finance adviser can guide you on, once you have built the underlying evidence.

QUESTIONS A BUYER IS LIKELY TO ASK

- How does the business run day to day without the owner — which decisions need their sign-off and what happens to those when they leave?
- How much of the value is tied to the owner's relationships and knowledge, and what is the transition or handover plan?
- Who do your LA commissioners and the bank actually deal with day to day — is it always you, or are other managers involved?

RECOMMENDED PREPARATION

Complete a one-page owner-dependency assessment with a criticality and transferability score for each item

WHAT TO BUILD & INCLUDE A table with five columns: dependency (the relationship, decision, or know-how), current holder (almost always: owner), named internal successor, criticality (high/medium/low — what breaks if this transfers badly?), and current transferability (not started/in progress/done). Cover: external relationships (each LA case manager, CHC commissioner, GP contacts, bank, landlord, top suppliers), recurring commercial decisions (fee negotiations, contract renewals, rate challenges), and undocumented operational know-how (how occupancy is managed, how CQC relationship is handled, the calendar of regulatory deadlines).

HOW TO DECIDE FOR YOUR HOME Score criticality from what would most damage value if the transfer went badly — funder relationships that drive occupancy and fee rates are usually the highest priority. Transferability is your honest read of where you have already started versus where the owner is still the only point of contact.

WHAT THE BUYER LOOKS FOR A buyer's due-diligence team will ask to see this document or conduct their own version of it through interviews. Having it documented — and being able to show it improving over time — frames the conversation as a managed programme rather than a risk that has not been thought about.

Begin relationship handover for the two or three highest-priority funder relationships

WHAT TO BUILD & INCLUDE For each targeted funder relationship: (1) arrange a joint meeting where you attend with the RM or a named manager and make a formal introduction; (2) follow up by having the RM send the next routine communication independently; (3) log each handover step in a brief

engagement log (date, who attended, what was discussed, follow-up). Aim to have at least one independent contact made by the RM within 30 days of each introduction.

HOW TO DECIDE FOR YOUR HOME Prioritise by revenue dependency — start with the LA or CHC commissioner who places the most residents or represents the largest share of revenue. A relationship where the funder already knows the RM is much easier to complete than one where the RM has never spoken to them.

WHAT THE BUYER LOOKS FOR Buyers specifically check whether commissioners deal with the owner or with the management team. An engagement log showing the RM has had independent contact with key funders is concrete evidence of transferability — not a promise that it will happen after the deal.

Write an operations manual capturing the commercial and regulatory know-how currently in the owner's head

WHAT TO BUILD & INCLUDE A practical document (not an encyclopaedia) covering: how fee negotiations are run with each LA (who to call, what the annual uplift mechanism is, what your cost-of-care evidence looks like), how occupancy and referrals are managed (the referral process, how void beds are filled, who the key referral sources are), the calendar of regulatory and contractual deadlines (CQC registration, framework renewals, insurance renewals, PAYE/VAT dates), and key supplier and contract specifics (exit notice periods, who the account manager is). Aim for a document the RM could use to run the business for a month without the owner present.

HOW TO DECIDE FOR YOUR HOME Start with the areas where loss would be most immediately felt: the funder fee-negotiation process and the occupancy management approach. These are also the areas a buyer's DD team will probe hardest when assessing transferability.

WHAT THE BUYER LOOKS FOR An operations manual that exists and is used by the management team is evidence that know-how has been transferred, not just captured. A buyer who sees the RM referencing it during their interview with the second tier finds that far more reassuring than the owner's assurance that they will 'be available for a transition period.'

9.12 · Ownership Succession & Exit-Transition Plan Prepare before market

GOOD
 2/5 · good = 4

In plain terms. An exit-transition plan is the written answer to the question: what does the handover from you to new ownership actually look like in practice? It covers what you do today that the business will need someone else to do tomorrow, who that person is or will be, and over what timeline the transfer happens.

What is wrong now. There is no documented handover or exit-transition plan, and no trained successor in place. By your note, most operational judgement still runs through you — meaning the transition question is almost entirely open. This links directly to the owner-dependency picture described in gap 9.11.

Why it matters to your buyer. As covered under owner dependency (9.11 above), PE buyers are highly focused on whether value survives the seller's exit. The exit-transition plan is what converts the dependency-reduction work into a credible deal story. Without one, even a buyer who is interested in Maple Court faces an open question about how the business transitions — and open

questions in a PE process create uncertainty that buyers manage by adjusting their assumptions. With a credible, documented plan and a tested second-tier bench, you shift from 'the owner is essential' to 'here is the structured handover' — a materially different conversation.

What "good" looks like. A short board-level document covering: the current state of owner involvement (what you do day-to-day), the planned transfer sequence (who takes which responsibilities and when), a bench-readiness table for each second-tier role, and a realistic view of whether the business can deliver against post-completion targets without the owner present. A realistic earn-out assessment — what it would require of you and whether the targets are achievable — should also be part of the plan, though the structure of any earn-out is something your corporate finance adviser will guide you on.

What to build. A documented exit-transition and succession plan with a bench-readiness table and a dated transition timeline.

Use the ready-made toolkit for this: [Template 9.12-A](#) (p. 50), [Worksheet 9.12-B](#) (p. 50) — in the appendix.

WHAT TO DO THIS MONTH

- Write a one-page 'what I do today' summary — every responsibility you currently hold that the business needs someone else to handle after a sale, grouped into: operational decisions, commercial/funder relationships, and financial oversight
- Map each responsibility to the named person best placed to take it over — drawing on the dependency assessment from 9.11 — and note their current readiness (ready now / needs development / gap to fill)
- Identify the one or two bench gaps that are most critical to fill before market and decide whether to develop internally or recruit

When to use an adviser. This is owner-led planning work. The one point that requires your corporate finance adviser's input is earn-out structure and feasibility — how post-completion targets would be set, what your involvement would look like, and whether the targets are achievable on the bench as it stands. Frame your thinking first, then take it to them.

QUESTIONS A BUYER IS LIKELY TO ASK

- How much of the value is tied to the current owner's relationships and knowledge, and what is the transition or handover plan?
- Who in the current management team could run the business without the owner from day one?
- Has the second-tier bench run the business for a sustained period — and what was the outcome?

RECOMMENDED PREPARATION

Draft an exit-transition plan covering the handover sequence, bench-readiness assessment, and transition timeline

WHAT TO BUILD & INCLUDE A short document (three to five pages) with four sections: (1) Current state — what the owner does day-to-day, split by operational, commercial, and financial; (2) Bench-readiness table — each second-tier role with the named holder, their readiness to step up (ready now/6 months/12 months/gap), and the development action needed; (3) Handover sequence — who

takes which responsibilities and in what order, with a realistic timeline; (4) End-state — the target position where the business runs without the owner, with the metrics that would demonstrate it.

HOW TO DECIDE FOR YOUR HOME Be realistic about readiness — a buyer is likely to interview the second tier and form their own view. An honest assessment with a credible development plan is more persuasive than an optimistic one that does not survive scrutiny. Focus on the roles where a gap would most affect the business in the first six months post-completion.

WHAT THE BUYER LOOKS FOR Buyers test the second-tier bench directly. A documented plan that matches what the management team says in interviews, and that shows development activity already underway, is what de-risks the transition in a buyer's mind.

A detailed template for this is in the Technical templates appendix.

Create at least one documented 'rehearsal' of the business running without the owner

WHAT TO BUILD & INCLUDE Arrange a period — even two to four weeks — where the owner's day-to-day involvement is deliberately reduced, the bench manages the home, and results are tracked. Document: what decisions were made, by whom, any issues that arose and how they were handled, and whether quality and commercial metrics held. Write a brief note summarising the rehearsal and its outcome.

HOW TO DECIDE FOR YOUR HOME Choose a period when operational risk is relatively low (not during a CQC inspection window or a major vacancy). The goal is not to test the bench to failure — it is to generate evidence that cover works, and to identify any gaps in the plan that are better found now than during a deal process.

WHAT THE BUYER LOOKS FOR A buyer who hears 'the team ran the home for three weeks in March and occupancy held at 93%' finds that far more reassuring than a plan on paper. Even a single rehearsal with documented results is a meaningful step. This evidence, cross-referenced to the dependency assessment (9.11), is what converts a two-sentence plan into a credible transition story.

THIS SECTION'S TEMPLATES & WORKSHEETS (S9 GOVERNANCE & SUCCESSION)

- **Template 9.11-A** (p. 49) — An owner-dependency reduction pack: a documented owner-dependency assessment plus the delegation and knowledge-transfer evidence that proves the business's relationships, decisions and know-how no longer walk out with the owner.
- **Worksheet 9.11-B** (p. 49) — Owner Dependency & Value Transferability: decisions to make
- **Template 9.12-A** (p. 50) — A documented exit-transition and succession plan: a worked plan covering founder handover, a capable and tested second-tier bench, and a realistic, feasibility-checked earn-out/transition arrangement.
- **Worksheet 9.12-B** (p. 50) — Ownership Succession & Exit-Transition Plan: decisions to make

2.5 · Performance Management Prepare before market

GOOD
 3/5 · good = 4

In plain terms. Performance management is the system by which you set targets for the metrics that matter most to the business, track how you are performing against them, and — crucially — take corrective action when something is off track. It is the difference between reporting what happened and actively managing what happens next.

What is wrong now. Monthly KPIs are tracked — occupancy, agency %, and complaints — which is a solid foundation. Appraisals happen annually but are informal. The maturity gap is that variances are currently noted rather than acted upon: there are no named owners per KPI, no target or threshold per metric, and no documented trail of corrective actions taken in response to off-target results.

Why it matters to your buyer. A PE buyer is likely to ask to see 12 months of KPI data and the review minutes that show how variances were handled. If the data exists but there is no evidence of action — no owner, no target, no documented response — it reads as reporting rather than management. Given that agency % and occupancy are two of the metrics this business is already tracking, and both are significant value drivers for a PE buyer, elevating them from 'tracked' to 'managed with evidence' is a relatively quick win.

What "good" looks like. A one-page KPI dashboard with a balanced metric set — quality, people, commercial, and financial — where each metric has a named owner, a target or threshold, a current value, and at least three months of trend data. Review minutes record the specific variance discussed, the corrective action agreed, the owner, and the follow-up. The dashboard looks the same every month and is clearly used to run the business.

What to build. A balanced KPI dashboard with named owners and targets, supported by review minutes showing action on variances.

Use the ready-made toolkit for this: [Template 2.5-A](#) (p. 51), [Worksheet 2.5-B](#) (p. 51) — in the appendix.

WHAT TO DO THIS MONTH

- Add a named owner and a target/threshold to each of the three metrics you already track (occupancy, agency %, complaints), and record a specific corrective action alongside any variance at the next management meeting
- Extend the dashboard to include at least two financial metrics (EBITDARM and staffing cost % of revenue) and one people metric (turnover or vacancy rate) — these are the measures a PE buyer is likely to look for alongside the operating metrics
- Retrieve the last six months of data for each metric and plot it as a trend — even a simple line chart is more useful to a buyer than a single month's snapshot

When to use an adviser. No adviser needed here — this is straightforward owner-led work. Your accountant can help format the financial KPIs (EBITDARM, staffing cost %) consistently with the management accounts.

QUESTIONS A BUYER IS LIKELY TO ASK

- What KPIs do you track, how often, and who owns each one? Can we see the last 12 months?
- Walk us through a recent example where a KPI went off target — what did you do about it?

RECOMMENDED PREPARATION

Formalise the KPI dashboard with named owners, targets, and a balanced metric set

WHAT TO BUILD & INCLUDE A one-page dashboard updated monthly. Metric groups: Quality (CQC actions open, complaints received, medication errors, safeguarding referrals); People (permanent turnover %, vacancy rate %, agency % of hours, mandatory training completion %); Commercial (occupancy %, average weekly fee, fee mix — LA/self-pay/CHC); Financial (EBITDARM, staffing

cost % of revenue). Per metric: named owner, target/threshold, current month value, prior month, and a three-month trend indicator.

HOW TO DECIDE FOR YOUR HOME Start from your three existing metrics and add rather than rebuild. The target for each should be based on your own baseline and a credible improvement path — for agency %, the target should link to your reduction plan (gap 4.3); for occupancy, your current 93% is strong, so the target is about maintaining it. PE buyers look for agency in the 10–15% range as a guide; your specific target is yours to set based on your pipeline.

WHAT THE BUYER LOOKS FOR A buyer recomputes headline KPIs from source data and checks they reconcile to your dashboard. A dashboard with twelve months of consistent data, named owners, and evidence of corrective action is what elevates this from 'we track some things' to 'we manage the business through data.'

Introduce a formal action trail into the monthly management-meeting minutes

WHAT TO BUILD & INCLUDE For every KPI that is off target at the monthly review: record in the minutes — the metric, the variance from target, the agreed corrective action, the owner, and the review date. At the next meeting, record whether the action was completed and whether the metric moved. This creates a documented performance-management trail from the existing monthly meeting format.

HOW TO DECIDE FOR YOUR HOME Link this to the management accounts improvement (gap 7.2) — the KPI dashboard should sit on the front page of the monthly management-accounts pack, making the review a natural part of the close meeting rather than a separate exercise.

WHAT THE BUYER LOOKS FOR Buyers look specifically for evidence that variances led to action that worked — not just that they were noted. A six-month trail of minutes showing a metric went off-target, an action was agreed, and the metric recovered is among the most persuasive evidence of active management a seller can provide.

THIS SECTION'S TEMPLATES & WORKSHEETS (S2 OPERATING MODEL & CAPABILITY MATURITY)

- **Template 2.5-A** (p. 51) — A balanced KPI dashboard/scorecard with named owners and a regular review cadence, supported by review minutes showing variances drove corrective action.
- **Worksheet 2.5-B** (p. 51) — Performance Management: decisions to make

Action plan

"Disclose before fully fixed?" answers the big question — whether you can talk to buyers about an item before it is completely resolved. "Maybe" usually means: yes, framed honestly as work in progress.

| # | Action | Owner | Timeframe | Outcome | Disclose before fully fixed? |
|---|--|--------------------|--|---|--|
| 1 | <p>Agree a monthly close calendar with your accountant and produce the first monthly pack in the new consistent format</p> <p>Management accounts produced quarterly in arrears with inconsistent format — no monthly run-rate</p> | Owner + accountant | This week — agree the calendar; first monthly pack within 30 days | Monthly management accounts produced within 10–15 working days of month-end in a consistent format, with at least three consecutive months before going to market | <p>Yes</p> <p>A work-in-progress narrative ('we have moved to monthly accounts; here are the first three months') is entirely acceptable and shows the improvement has happened</p> |
| 2 | <p>Instruct a RICS-qualified building surveyor to inspect and cost the flat roof section and two assisted bathrooms within 30 days</p> <p>Deferred capex backlog (flat roof, two assisted bathrooms) uncoded and unsurveyed</p> | Owner | Instruct surveyor this week; receive report within 30 days | A coded, prioritised backlog register with urgency bands and a PPM schedule alongside it | <p>Yes</p> <p>A quantified, professionally surveyed backlog with a remediation programme is a strong disclosure — it shows you know the position and have a plan</p> |
| 3 | <p>Produce a one-page owner-dependency map and begin funder relationship introductions for the top two LA commissioner relationships</p> <p>Owner dependency at 2/5 — relationships, decisions, and operational know-how concentrated in the owner</p> | Owner | Dependency map within 2 weeks; first joint commissioner meeting within 30 days | A documented dependency assessment with named successors and an evidence trail of relationship handover starting | <p>Maybe</p> <p>Early-stage dependency reduction is disclosable as a managed programme with evidence of progress <i>Disclose once there is at least one month of evidence that handovers have begun — an empty plan without supporting evidence is best disclosed only after activity has started</i></p> |
| 4 | <p>Build a 13-week direct cash-flow forecast template and begin running and back-testing it weekly</p> <p>No rolling 13-week cash-flow forecast — cash</p> | Owner + accountant | Template built within 2 weeks; running weekly from the start of next month | A rolling forecast updated weekly with a back-testing log covering at least six weeks before going to market | <p>Maybe</p> <p>A forecast that has been running for fewer than two months should be disclosed honestly as newly established, with the accuracy log to date</p> |

| # | Action | Owner | Timeframe | Outcome | Disclose before fully fixed? |
|---|---|--|--|---|--|
| | managed from the bank balance | | | | <i>Disclose without caveat once you have at least eight weeks of back-testing log with actuals recorded</i> |
| 5 | Build a three-month agency tracker with back-history and draft a dated reduction plan with specific recruitment actions for the vacancies driving dependency <i>Agency at 22% of care hours with no written reduction plan</i> | Owner / RM | Tracker built within 2 weeks; reduction plan drafted within 30 days | An agency tracker showing the trend and a written reduction plan with milestones, target percentage, and named recruitment actions | Yes 22% with a credible, evidenced reduction plan is a fully disclosable position — buyers expect to see the plan, not a perfect number |
| 6 | Complete the ROPA structure yourself (all processing activities listed with purpose, systems, recipients, retention), then engage a data-protection adviser to confirm the Article 9 conditions for health data processing <i>ROPA incomplete — special-category (health) data not fully mapped and Article 9 conditions not confirmed</i> | Office manager / DPO + data-protection adviser | ROPA draft structure within 3 weeks; adviser review within 6 weeks | A complete, adviser-confirmed ROPA with documented Article 9 conditions for all special-category data rows, signed off by the data-protection owner | Maybe An incomplete ROPA is a known gap; disclosing it honestly with a clear timeline for completion is better than presenting it as done when it is not <i>Disclose as complete only once the special-category data rows have been confirmed by your adviser and the document has a signed-off review date</i> |
| 7 | Draft an exit-transition plan covering what the owner does today, who takes each responsibility and when, and a bench-readiness table for each second-tier role <i>No documented exit-transition plan and no trained successor in place</i> | Owner | First draft within 6 weeks; refined with corporate finance adviser input before market | A documented exit-transition plan with a bench-readiness table, transition timeline, and at least one rehearsal period documented | Yes A work-in-progress transition plan with honest bench-readiness assessments is a positive disclosure — it shows the question has been thought through and is being actively managed |
| 8 | Engage your VAT adviser to review, confirm, and document the partial- | Owner + VAT adviser | Instruct VAT adviser within 4 weeks; documented | A documented VAT partial-exemption method with an adviser's confirmation, filed | Yes A documented, adviser-reviewed method is a clean disclosure — buyers |

| # | Action | Owner | Timeframe | Outcome | Disclose before fully fixed? |
|----|---|--------------------------------------|---|---|--|
| | <p>exemption method currently in use</p> <p>VAT partial-exemption method not formally reviewed</p> | | review received within 8 weeks | as part of the tax-compliance pack | expect this to have been reviewed by a professional |
| 9 | <p>Document the current holiday-pay calculation basis with worked examples and have it reviewed by your employment or payroll adviser</p> <p>Holiday-pay calculation method not reviewed recently</p> | Owner + employment / payroll adviser | Document the current basis within 3 weeks; adviser review within 6 weeks | A documented holiday-pay calculation basis with worked examples and an adviser's confirmation, filed in the pay-compliance review pack | <p>Yes</p> <p>A reviewed and documented holiday-pay calculation is a clean disclosure; the position only becomes problematic if the calculation is wrong and unaddressed</p> |
| 10 | <p>Add a named owner and target to each existing KPI; extend the dashboard with financial and people metrics; begin recording corrective actions in management meeting minutes</p> <p>KPIs tracked but variances noted rather than acted on — no named owner or target per metric</p> | Owner / RM | Enhanced dashboard from next monthly review; six months of review minutes before market | A balanced KPI dashboard with 12 months of trend data and review minutes showing variances prompted specific, documented corrective actions | <p>Yes</p> <p>A dashboard at 3/5 maturity with a clear improvement trajectory is a straightforward disclosure; the trend of improvement is itself evidence of active management</p> |
| 11 | <p>Map all external data-sharing flows, identify those with no agreement, and prioritise obtaining signed data-sharing agreements for health-data flows with LAs and NHS bodies first</p> <p>No formal data-sharing agreements with LAs and NHS despite active data flows</p> | Office manager / DPO | Flow map within 3 weeks; priority agreements in place within 8 weeks | A data-flow map with a signed agreement for every significant flow, filed alongside the ROPA | <p>Maybe</p> <p>Missing data-sharing agreements for active health-data flows are a known gap; disclosable with a timeline for remediation <i>Disclose as resolved only once agreements are signed for all health-data flows with LAs and NHS bodies</i></p> |
| 12 | Build a 12-month revenue-mix trend by funder type and start a funder engagement | Owner / RM | Revenue trend built within 2 weeks; engagement log | A 12-month revenue-mix trend with a concentration-risk | <p>Yes</p> <p>A stable, well-documented revenue mix with a growing engagement log is a positive disclosure;</p> |

| # | Action | Owner | Timeframe | Outcome | Disclose before fully fixed? |
|----|--|------------|--|---|---|
| | <p>log documenting the last three contacts with each LA commissioner</p> <p>Revenue mix documented but not trended; LA funder relationships owner-held with no engagement log</p> | | started immediately | note, and a funder engagement log showing relationship management is active and not owner-only | even an early-stage log shows the process has started |
| 13 | <p>Consolidate all open and recently closed regulatory action plans into one tracker with named owners, dates, and attached closure evidence</p> <p>Action plans not consolidated into a single auditable tracker with evidenced closure</p> | RM / Owner | Tracker built within 3 weeks; maintained going forward | A single regulatory action tracker covering all sources (CQC, audits, incidents, safeguarding) with evidenced closure for completed actions | <p>Yes</p> <p>A comprehensive action tracker with evidenced closures is a strong positive disclosure — it shows the excellent CQC position is actively managed</p> |

Data-room checklist

The items not in italics form a **minimum viable pack** — assemble these first. The full pack strengthens the position further. Items marked "—" only apply to some business models.

Corporate & Ownership

- Certificate of incorporation and current articles of association
- Share register and PSC register
- Last three years of statutory accounts (audited or filed)
- Companies House filing history (confirmation statements, accounts)
- Director loan account statements (last three years) — *Where a director loan account exists*

Financial

- Last 12 months of management accounts (monthly, consistent format, by site)
- Management accounts close calendar and production-lag log
- Rolling 13-week cash-flow forecast and forecast-vs-actual accuracy log
- Annual budget and monthly budget-vs-actual variance reports
- EBITDARM bridge with normalisation schedule (owner remuneration, one-off items, rent)
- Aged debtor report by funder type (LA, self-pay, NHS/CHC) with write-off history
- Banking facility agreements and covenant-compliance tracker
- Corporation tax computations and CT payment confirmations (last three years)
- VAT partial-exemption method documentation and filing history
- PAYE/RTI filings and payroll reconciliations
- Capital structure summary: debt schedule, IFRS 16 lease schedule, dividend history
- Related-party register and disclosure notes cross-referenced to statutory accounts

CQC & Regulatory

- Last three CQC inspection reports with ratings (2019, 2022, 2024)
- Current CQC registration certificate and registered-manager certificate
- Regulatory action tracker (open, overdue, closed with evidence)
- Notifications log (last 24 months) with outcomes
- Safeguarding referral log with outcomes and learning
- Complaints log with themes, resolution times, and practice changes
- Medication audit schedule, error log (12-month trend), and CD register
- IPC audit records and training completion

FULL PACK

- Mortality-review records and root-cause action log

Workforce & HR

- Agency-management tracker (12 months: hours, %, spend, providers)
- Written agency-reduction plan with milestones
- Permanent workforce metrics: turnover, vacancy rate, tenure profile (12-month trend)
- Mandatory training matrix with completion rates (last 12 months)
- DBS register with renewal-tracking dates
- Employment contract templates by role group with version and review date
- Pay-compliance review pack: NMW/NLW checks, sleep-in treatment basis, holiday-pay calculation with worked examples
- Auto-enrolment compliance records and scheme details
- Disciplinary, grievance, and claims schedule with outcomes
- Right-to-work register and sponsor-licence compliance records — *Where sponsored overseas workers are employed*
- Organisation chart (current, with role descriptions and headcount by function)

FULL PACK

- Preferred-supplier agreements with main agency providers
- IR35 status determination statements for direct contractors — *Where direct (non-agency) contractors are used*

Property & Estate

- Title documents confirming freehold ownership
- Building condition survey (professional, dated)
- Deferred-capex / maintenance backlog register with cost estimates and urgency
- Planned maintenance programme (PPM) schedule
- Fire risk assessment (current)
- Asbestos management survey and register
- Gas safety certificates (current)
- Electrical Installation Condition Report (EICR, current)
- Buildings insurance policy with reinstatement valuation and claims history
- EPC certificates (current) for all buildings
- Planning consent documents, registered use class, and conditions schedule
- Bed and room schedule (total beds, single/shared, en-suite %, dementia adaptations)

Commercial Contracts & Revenue

- LA framework agreements (all commissioning authorities, current rates, renewal dates)
- Revenue-mix schedule: 12-month trend by funder type (LA/self-pay/CHC) with bed-count view
- Self-pay fee schedule with annual uplift mechanism
- Top-up fee register and signed agreements
- Resident contract template (current version, CMA-fairness review note)
- Occupancy data: current and 12-month trend by bed type
- Funder contact register and engagement/escalation log
- DoLS/CoP register with authorisation status and renewal dates
- Top-10 supplier contracts by spend with terms and exit notice
- Public/employers' liability and abuse insurance policy with claims history

FULL PACK

- NHS/ICB contracts and CHC/FNC arrangements with fee structures — *Where NHS-funded residents are admitted*

Data Protection

- Complete ROPA with special-category (health) data inventory and last-review date
- Lawful-basis and Article 9 condition mapping per processing activity
- Privacy notices (resident/family-facing and staff-facing, current version)
- Data-sharing agreements with LAs, NHS/ICB, and key processors (Article 28 contracts)
- Breach register with incident files and ICO notification records
- SAR procedure and SAR log with response-time tracking
- DPIAs for CCTV, resident-monitoring technology, and agency-staff portal
- Retention schedule with destruction logs
- IT security baseline: MFA coverage, backup restore-test logs, incident-response plan
- ICO registration confirmation (data-protection fee paid)
- Data-protection training completion records (last 12 months)

FULL PACK

- DSPT submission status and supporting evidence — *Where NHS-funded residents are admitted or NHS systems are accessed*

Governance & Operating Model

- Owner-dependency assessment with delegation and relationship-handover evidence
- Exit-transition plan with bench-readiness table and transition timeline
- KPI dashboard (12-month trend) with review minutes showing corrective actions
- Delegated-authority matrix and reserved-matters schedule
- Board/management meeting minutes (last 12 months)
- Risk register with board risk reports and assurance/audit evidence
- Policy register with approval, version, and review dates
- Key-person risk assessment with cross-cover arrangements and cover track record
- Succession plan with bench-readiness and development plans
- Business/strategic plan (three-year) with objectives and progress
- D&O insurance policy with run-off provision note
- Conflicts-of-interest register with related-party transactions schedule
- Litigation and contingent-liabilities log

FULL PACK

- SOP repository with version-controlled index and improvement log

Toolkit index — templates & worksheets

Every fill-in template and decision worksheet in this report, with its page. Each is a framework starter — replace the contents with your own.

- **Template 4.3-A** (p. 44) — An agency-management pack: a monthly agency tracker with at least 3 months of back-history, a written agency-reduction plan, and signed preferred-supplier agreement(s) with your main provider(s). (4.3 Agency Dependence)
- **Worksheet 4.3-B** (p. 44) — Agency Dependence: decisions to make (4.3 Agency Dependence)
- **Template 5.6-A** (p. 45) — A deferred-capex / maintenance backlog register with cost estimates and urgency, paired with a planned (preventive) maintenance programme that is demonstrably working the backlog down. (5.6 Deferred Capex / Maintenance Backlog)
- **Worksheet 5.6-B** (p. 45) — Deferred Capex / Maintenance Backlog: decisions to make (5.6 Deferred Capex / Maintenance Backlog)
- **Template 7.2-A** (p. 46) — A management-accounts pack with a documented monthly close calendar: the last 3–6 months of management accounts produced to a consistent format, plus a one-page note stating the production cadence and lag time. (7.2 Management Accounts Cadence)
- **Worksheet 7.2-B** (p. 46) — Management Accounts Cadence: decisions to make (7.2 Management Accounts Cadence)
- **Template 7.6-A** (p. 47) — A maintained rolling 13-week cash-flow forecast with a forecast-versus-actual accuracy log demonstrating a track record of reliable forecasting. (7.6 Cash Flow Forecasting)
- **Worksheet 7.6-B** (p. 47) — Cash Flow Forecasting: decisions to make (7.6 Cash Flow Forecasting)
- **Template 8.2-A** (p. 48) — A complete, current Record of Processing Activities (ROPA) covering the home(s), with an explicit special-category (health) data inventory, dated and signed off by the data-protection owner. (8.2 Record of Processing Activities (ROPA))
- **Worksheet 8.2-B** (p. 48) — Record of Processing Activities (ROPA): decisions to make (8.2 Record of Processing Activities (ROPA))
- **Template 9.11-A** (p. 49) — An owner-dependency reduction pack: a documented owner-dependency assessment plus the delegation and knowledge-transfer evidence that proves the business's relationships, decisions and know-how no longer walk out with the owner. (9.11 Owner Dependency & Value Transferability)
- **Worksheet 9.11-B** (p. 49) — Owner Dependency & Value Transferability: decisions to make (9.11 Owner Dependency & Value Transferability)
- **Template 9.12-A** (p. 50) — A documented exit-transition and succession plan: a worked plan covering founder handover, a capable and tested second-tier bench, and a realistic, feasibility-checked earn-out/transition arrangement. (9.12 Ownership Succession & Exit-Transition Plan)
- **Worksheet 9.12-B** (p. 50) — Ownership Succession & Exit-Transition Plan: decisions to make (9.12 Ownership Succession & Exit-Transition Plan)

- **Template 2.5-A** (p. 51) — A balanced KPI dashboard/scorecard with named owners and a regular review cadence, supported by review minutes showing variances drove corrective action. (2.5 Performance Management)
- **Worksheet 2.5-B** (p. 51) — Performance Management: decisions to make (2.5 Performance Management)

Technical templates & worksheets

Ready-made, fill-in starters for the deliverables named in the deep-dives — drawn from the ExitSignal framework, not findings about your home. Use them as a structure and replace every entry with your own.

4.3 · Agency Dependence

Template 4.3-A — An agency-management pack: a monthly agency tracker with at least 3 months of back-history, a written agency-reduction plan, and signed preferred-supplier agreement(s) with your main provider(s).

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|---|--------------------|
| Tracker columns, by month: total care hours; agency hours; agency % of hours; agency spend (£); agency cost-per-hour vs permanent cost-per-hour (the premium); split by provider; split by role (nurse / carer / night); a reason code per block (vacancy / sickness / acuity spike). | |
| Reduction plan: the baseline % and your target % with a date (e.g. 22% to under 12% within 12 months), the specific permanent vacancies driving the dependency, the named recruitment actions to fill them, and monthly milestones to track against. | |
| Preferred-supplier agreement: agreed charge rates, notice periods, priority/exclusivity supply terms, and named escalation contacts. | |
| A short narrative for the management presentation tying the trend, the plan and any early reduction together. | |

Worksheet 4.3-B — Agency Dependence: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Set the target by reference to what your buyer archetype tolerates (a PE/consolidator buyer typically wants agency under ~10–15% of hours) and what your permanent recruitment pipeline can realistically deliver — don't promise a number you can't evidence.
- Decide which shifts and roles to convert to permanent first by where the agency cost-per-hour premium is highest and where vacancies are most fillable (usually nights).
- Decide whether to run recruitment in-house or via an RPO/agency-to-perm route based on your historic time-to-hire.

Write a dated, costed agency-reduction plan with named recruitment actions and monthly milestones

Illustrative reduction plan milestone table — replace with your own figures

| MONTH | TARGET AGENCY % | VACANCIES TO FILL | RECRUITMENT ACTION | OWNER |
|---------|----------------------------|------------------------------|--|-----------------|
| Month 1 | 22% (baseline) | Night carer x2, Day carer x1 | Advertise on sector job boards; brief recruitment agency | Owner / HR lead |
| Month 2 | 19–20% | Night carer x1 remaining | Interviews; offers made | Owner / HR lead |
| Month 3 | 16–18% | Final vacancy | New starters inducted | RM |
| Month 6 | Target range (your choice) | All priority roles filled | Review and replan if needed | Owner |

5.6 · Deferred Capex / Maintenance Backlog

Template 5.6-A — A deferred-capex / maintenance backlog register with cost estimates and urgency, paired with a planned (preventive) maintenance programme that is demonstrably working the backlog down.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| Per backlog item: site, description, category (statutory/safety, building fabric, M&E, decor/FF&E), estimated cost, and urgency (immediate / short / medium term). | |
| A total quantified backlog figure per site and across the portfolio, with the immediate/safety-critical subtotal called out. | |
| A planned maintenance programme (PPM) covering recurring servicing (lifts, boilers, fire systems, nurse-call) with frequencies and responsible contractors. | |
| A burn-down view: opening backlog, items completed (cost/date), items added, closing backlog — over recent months. | |
| Cross-reference to FRI repairing obligations (5.2) and to statutory compliance items (5.7) so safety-critical works are not buried in the list. | |

Worksheet 5.6-B — Deferred Capex / Maintenance Backlog: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Quantify and date every item — uncosted, undated entries read as 'we know it's there' rather than a managed programme.
- Prioritise by urgency and risk: statutory/safety-critical items first, then revenue-protecting works (e.g. rooms out of use), then cosmetic — base the cut on safety and on occupancy/fee impact.
- Decide what to clear before sale versus disclose; treat safety-critical and compliance items as do-before-sale, and discretionary refurb as disclosable buyer-priced spend.

Build a deferred-capex register and PPM schedule in Excel

Illustrative backlog register — replace with your own items and costs

| ITEM | CATEGORY | ESTIMATED COST | URGENCY | STATUS |
|-------------------------------------|------------------|---------------------------|----------------------|---------------------|
| Flat roof section — repair/replace | Building fabric | To be confirmed by survey | Immediate/short term | Survey commissioned |
| Assisted bathroom 1 — refurbishment | Statutory/safety | To be confirmed by survey | Short term | Survey commissioned |
| Assisted bathroom 2 — refurbishment | Statutory/safety | To be confirmed by survey | Short term | Survey commissioned |
| [Other known items] | [Category] | [Your estimate] | [Urgency] | [Status] |

7.2 · Management Accounts Cadence

Template 7.2-A — A management-accounts pack with a documented monthly close calendar: the last 3–6 months of management accounts produced to a consistent format, plus a one-page note stating the production cadence and lag time.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| A consistent monthly pack: group P&L, balance sheet and cash position, with a by-site P&L (cross-referenced to 7.3) and prior-month / budget / prior-year comparatives. | |
| Care-specific KPI page: occupancy %, average weekly fee and fee mix (LA / self-pay / CHC-FNC), EBITDARM and EBITDA by site, staffing cost % of revenue, and agency % of hours/spend. | |
| A stated production lag (target management accounts available within 10–15 working days of month-end) and a close calendar listing each close task, owner and due day. | |
| Commentary that explains variances and the decisions taken in response — showing the accounts are used, not just produced. | |
| Evidence the format is stable month to month (same line items, same KPI definitions) so trends are comparable. | |

Worksheet 7.2-B — Management Accounts Cadence: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Set your close-lag target by what a PE/consolidator buyer expects (typically management accounts within ~10–15 working days of month-end) and what your finance resource can sustain — commit to a lag you actually hit.
- Decide which KPIs sit on the front page by what drives this business's value (occupancy, fee mix, EBITDARM by site, staffing/agency cost) so the pack speaks the buyer's language.
- Decide whether gaps in cadence or format need fixing for several months before going to market, since buyers weight a sustained run over a recent improvement.

Agree and document a monthly close calendar with your accountant

Illustrative monthly close calendar — replace with your own tasks, owners, and target days

| TASK | OWNER | TARGET WORKING DAY | DEPENDENCIES | STATUS CHECK |
|---|------------------------|--------------------|--------------------------|-----------------------|
| Bank reconciliation complete | Finance/ bookkeeper | Day 3 | Bank statement received | Owner sign-off |
| Payroll and agency costs posted | Finance/ bookkeeper | Day 4 | Payroll run confirmed | Owner sign-off |
| Revenue accruals (occupancy to month-end) | Finance/ bookkeeper | Day 5 | Bed-state/occupancy data | Owner review |
| Management accounts draft to owner | Accountant | Day 10 | All postings complete | Owner review |
| Final pack issued with commentary | Owner/ accountant | Day 12–15 | Owner commentary added | Filed and distributed |

7.6 · Cash Flow Forecasting

Template 7.6-A — A maintained rolling 13-week cash-flow forecast with a forecast-versus-actual accuracy log demonstrating a track record of reliable forecasting.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|---|--------------------|
| A weekly 13-week direct cash-flow forecast: opening cash, receipts (by funder type, reflecting LA/CHC payment cycles), payroll runs, agency, rent/finance, tax payments (PAYE/VAT/CT), and other operating outflows, to a weekly closing cash position. | |
| Sensitivities/scenarios for the key risks (occupancy dip, delayed LA receipts, an agency spike) showing the cash impact and the resulting low point. | |
| A back-testing log comparing each week's forecast to actual cash, with the variance and a brief reason, over several recent cycles. | |
| The headroom position against any banking facility (cross-referenced to 7.7), showing the projected minimum cash/headroom week by week. | |
| A note of the refresh cadence (weekly roll-forward) and the owner of the forecast. | |

Worksheet 7.6-B — Cash Flow Forecasting: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Decide which receipts and payments to model at line level by what genuinely moves cash week to week (LA/CHC receipt timing, payroll dates, quarterly rent and tax) so the forecast is decision-useful.
- Set the scenarios you stress by your real exposures — base the occupancy and LA-delay sensitivities on your own historic variability, not arbitrary percentages.
- Decide what minimum-headroom trigger prompts management action (e.g. drawing a facility, deferring discretionary spend) based on your facility terms and comfort level.

8.2 · Record of Processing Activities (ROPA)

Template 8.2-A — A complete, current Record of Processing Activities (ROPA) covering the home(s), with an explicit special-category (health) data inventory, dated and signed off by the data-protection owner.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| One row per processing activity (e.g. resident care records, medication records, DoLS/MCA records, CCTV, staff HR/payroll, recruitment/DBS, family/next-of-kin contacts, marketing/enquiries) with: purpose, categories of data subject, categories of personal data, and a clear flag where special-category (health) data is involved. | |
| For each activity: the lawful basis and, for special-category data, the Article 9 condition relied on (cross-referenced to 8.3), the systems/locations the data sits in, and the retention period (cross-referenced to 8.9). | |
| Recipients and any data sharing (LAs, NHS/ICB, GPs, pharmacies, agency portals, software processors) cross-referenced to data-sharing agreements (8.7), plus any transfers outside the UK. | |
| Processor list: each third-party system/supplier processing data on your behalf, with a note of whether a written processor (Article 28) contract is in place. | |
| A 'last reviewed' date and owner per row, and a whole-document review date so currency is visible at a glance. | |

Worksheet 8.2-B — Record of Processing Activities (ROPA): decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Decide the granularity by what makes the record usable: enough rows to capture each distinct purpose and system, without splitting so finely it becomes unmanageable.
- Decide the review trigger and cadence (e.g. at least annually and on any new system or major process change) based on how often your care software, suppliers and processes actually change.
- Decide which gaps to close before sale (missing special-category flags, missing processors, no retention periods) versus disclose, based on which would most undermine a buyer's confidence in your data control.

9.11 · Owner Dependency & Value Transferability

Template 9.11-A — An owner-dependency reduction pack: a documented owner-dependency assessment plus the delegation and knowledge-transfer evidence that proves the business's relationships, decisions and know-how no longer walk out with the owner.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| An owner-dependency assessment mapping everything currently tied to the owner: key external relationships (regulator/CQC contacts, local-authority and CHC commissioners, GPs and health partners, top referrers, bank, landlord, key suppliers), recurring decisions only the owner makes, and undocumented operational know-how — each scored for criticality and current transferability. | |
| Delegation evidence: which of those relationships and decisions have been handed to named second-tier managers (e.g. operations/area manager, registered managers, finance lead), with the authority to act (cross-reference the scheme of delegation, 9.5). | |
| A relationship-transfer record: introductions made, joint meetings held, and the named successor now owning each key external relationship — so commissioners, the bank and the landlord deal with the team, not just the owner. | |
| A knowledge-transfer/operations manual capturing what was in the owner's head: how fee negotiations are run, how occupancy and referrals are managed, the calendar of regulatory and contractual deadlines, and supplier/contract specifics. | |
| A 'what happens if the owner is unavailable' note (bus-factor/cover plan) showing the business keeps running without them, with the metrics that demonstrate it (e.g. periods the owner was absent and performance held). | |

Worksheet 9.11-B — Owner Dependency & Value Transferability: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Decide which dependencies to break first by criticality and transferability — base this on what would most damage value if the owner left tomorrow (usually commissioner/referrer relationships, fee negotiation, and key clinical/regulatory oversight).
- Decide who the named successor is for each relationship and decision, informed by the strength of your second tier (links to bench in 9.12) — and whether you need to hire/develop to fill a gap.
- Decide how much owner involvement a realistic handover (and any earn-out) requires versus how much you can demonstrably remove now, so the buyer sees transferable value rather than a one-person business.

9.12 · Ownership Succession & Exit-Transition Plan

Template 9.12-A — A documented exit-transition and succession plan: a worked plan covering founder handover, a capable and tested second-tier bench, and a realistic, feasibility-checked earn-out/transition arrangement.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| An exit-transition plan: the intended deal shape and timeline, what the owner does day-to-day today, the planned handover sequence (who takes which responsibilities and when), and the target end-state where the business runs without the owner. | |
| A management-bench assessment: each second-tier role (operations/area manager, registered managers, finance, quality lead), who holds it, their readiness to step up, succession cover for each, and the gaps to fill before sale (links to owner-dependency, 9.11). | |
| An earn-out feasibility view: whether the business can deliver against post-completion targets without the owner, what an earn-out would realistically require of the owner's time, and the risks to hitting it — so the plan is grounded, not aspirational. | |
| A handover playbook: the relationships, decisions and knowledge to transfer (drawing on 9.11), with a transition timeline and milestones. | |
| Evidence of rehearsal/testing where possible: periods the bench ran the business, results held, and what the dry-run exposed — demonstrating the level-5 'transition rehearsed, bench tested' behaviour. | |

Worksheet 9.12-B — Ownership Succession & Exit-Transition Plan: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Decide the realistic handover length and the owner's role during it by reference to how dependent the business still is (9.11) and how ready the bench is — don't promise a clean break the evidence can't support.
- Decide where to strengthen the bench (hire, develop, or restructure) before sale, based on the readiness gaps in the assessment and what a buyer would need to see to be comfortable.
- Decide how much earn-out you are willing and able to deliver, informed by whether targets are achievable without you and what your corporate-finance adviser says about typical structures — frame the basis, not a fixed figure.

Draft an exit-transition plan covering the handover sequence, bench-readiness assessment, and transition timeline

Illustrative bench-readiness table — replace with your own roles and assessments

| ROLE | CURRENT HOLDER | READINESS | DEVELOPMENT ACTION | TARGET DATE |
|---------------------------------|--------------------|-------------|--|--------------------|
| Registered Manager | RM (in post) | Ready now | Maintain and evidence cover track record | Now |
| Deputy RM | Named deputy | 6–12 months | Complete Level 5; act up during RM leave | 6 months |
| Commercial/funder relationships | Owner | Not started | Joint meetings with RM; introduce to key LAs | 3 months |
| Fee negotiations | Owner | Not started | Document process; shadow next negotiation with RM | Next renewal cycle |
| Financial oversight | Owner + accountant | Partial | Monthly review with accountant; RM briefed on KPIs | 1 month |

2.5 · Performance Management

Template 2.5-A — A balanced KPI dashboard/scorecard with named owners and a regular review cadence, supported by review minutes showing variances drove corrective action.

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

| WHAT TO INCLUDE | YOUR ENTRY / NOTES |
|--|--------------------|
| A balanced metric set spanning quality (CQC actions, safeguarding/incidents, medication errors, complaints), people (turnover, vacancy, agency % of hours, training compliance), commercial (occupancy by bed type, fee mix, debtor days) and financial (EBITDARM, cost per occupied bed). | |
| Per KPI: a named owner, a target/threshold, the current value, and a trend (at least 3 months). | |
| A defined review cadence (e.g. monthly management meeting) and who attends. | |
| Review minutes that record the variance discussed and the specific action agreed, owner and date. | |
| A metric revision history showing the scorecard itself is refined as priorities change. | |

Worksheet 2.5-B — Performance Management: decisions to make

Illustrative starter — a framework template, not a finding about your home. Replace with your own entries.

- Choose the KPIs that matter from your own value drivers and weak spots — if agency or occupancy is your problem, those belong on the board scorecard with hard targets.
- Set each target/threshold from your baseline and a credible improvement path, and from what a buyer archetype expects (e.g. agency under ~10-15% of hours), not an arbitrary number.
- Decide the review cadence from how quickly each metric can move and be acted on — monthly is the usual default for an operating home.

Before you go to market: confirm these are current

Rules in these areas change. ExitSignal does not monitor them for you, and this report does not confirm your current position on them. Before relying on any position here, confirm the following with the relevant adviser:

- **CQC requirements.** Confirm the current CQC assessment framework and any recent changes that affect how your service is rated and evidenced.
- **Employment & pay.** Confirm current National Minimum/Living Wage rates, holiday-pay and sleep-in rules, and working-time requirements with a payroll/employment adviser before relying on any pay-compliance position.
- **Right to work & immigration.** Confirm current right-to-work check and sponsor-licence requirements if you employ overseas staff.
- **Data protection.** Confirm your current UK GDPR / Data Protection Act obligations and ICO registration status.
- **Tax & structure.** Confirm the tax treatment of your structure and any reliefs with your accountant — these change with each fiscal event.

Important notes & disclaimer

This report is a due-diligence preparation and evidence-organisation tool. It is not legal, tax, employment, immigration, clinical, regulatory, insurance, valuation, or data-protection advice, and it should not be relied on as a substitute for advice from a suitably qualified professional on any specific situation. Nothing in this report constitutes an opinion on the value of your business, and no gap identified should be read as a quantitative estimate of its effect on price. It analyses the readiness self-assessment you provided against the ExitSignal framework to help you identify, organise, and present the evidence a buyer or adviser is likely to ask for. Where a point touches a regulated or fast-changing area (CQC, employment, immigration, tax, data protection, mental-capacity law), confirm the current requirements with your own adviser before acting.

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