



29 March 2023

**To accounting officers in FE colleges.**

Dear colleague,

**College MPM Return (31-03-23)**

Following the reclassification of FE colleges and their subsidiaries to the government sector from 29 November 2022, the regularity framework for colleges has expanded to take into account the requirements of HMT Managing Public Money (MPM), notified to you in David Withey's [letter of that date](#). As accounting officer, you will need to consider compliance with these new requirements, when you complete your statement of regularity, propriety and compliance as part of your college's annual report and accounts for the year ending 31 July 2023, as will your external auditors when they consider their regularity opinion.

However, ESFA also needs assurance that colleges and their subsidiaries have complied with these new requirements for the period 29 November 2022 to 31 March 2023. This is to provide assurance to our accounting officer and the National Audit Office on the regularity of funds provided to colleges, reported in ESFA's 2022-23 accounts. In order to obtain this assurance, we need the college to complete a short return, approved by you, that:

- confirms the college has, or is designing, systems and controls to identify, record, approve and, where required, report to DfE MPM-limited transactions,
- provides the total volume and value of MPM transactions for the period 29 November 2022 to 31 March 2023 that fall within colleges' delegated authorities, set out in the letter of 29 November 2022,
- details any instances where the college and / or its subsidiaries has entered into any transactions in the period 29 November 2022 to 31 March 2023 that exceed colleges' delegated authorities set out in the letter of 29 November 2022, and
- prompts the college to seek retrospective approval for any such transactions.

We do not require the return to be reviewed by your external auditors. Instead, we will rely on a declaration (included at the bottom of the return) on the completeness and accuracy of the return by you, as accounting officer. Please note that ESFA may need to perform some validation of a sample of colleges' returns. If so, and we select your college in the sample, we will contact the college.

The return is excel based and allows you to enter "Yes/No" and values as appropriate, with consequential requests for information only where necessary.

We have sought to minimise the burden for colleges in completing the return, as far as possible, avoiding duplicate requests for known data / information e.g. debt consents. Furthermore, the return will:

- help colleges ensure that they are MPM compliant,
- help colleges prepare for external auditors' regularity reviews in connection with the college's 2022/23 accounts (the return covers half of the 'MPM period' for 2022/23), and
- support the accounting officer's regularity compliance statement in the college's 2022/23 annual report and accounts (the return covers half of the 'MPM period' for 2022/23).

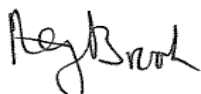
If you have any queries regarding the completion of the return, please email [PMO.Reclassification@education.gov.uk](mailto:PMO.Reclassification@education.gov.uk).

Please note, the return does not need to be approved by your board, before it is submitted to ESFA. However, you may wish to share the return with your governors, audit committee and auditors for their information.

Once completed the return should be emailed to [PMO.Reclassification@education.gov.uk](mailto:PMO.Reclassification@education.gov.uk) by Friday 28 April 2023. Please use the naming convention 'UKPRN\_college name\_ MPM RETURN 31-03-23' as the file name and in the email subject title. Following receipt of your return, ESFA will contact you if further information is required.

If you have any questions about the *College MPM Return (31 March 2023)*, please contact us using the above email address.

Yours sincerely



Adrian Brook  
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