# Regularity self-assessment questionnaire (2023 to 2024)

| **Accountability requirements** | **Questions** | **Corporation/designated institution response**  **(Compliance and evidence)** | **Evidence and references** |
| --- | --- | --- | --- |
| **Incoming resources**  Compliance with any specific terms and conditions of revenue grants, income and/or donations (from whatever source), including where the corporation/ designated institution acts as an agent.  Compliance with any specific terms and conditions of capital grants, income and/or donations (from whatever source). | What are the corporation’s/designated institution’s approved policies for identifying and complying with specific terms attached to incoming funding? Is the policy fit for purpose and has it been appropriately applied?  Has the corporation/designated institution completed and returned the necessary funding claims/returns? Have these been reconciled to specific eligible costs incurred and/or activities delivered?  What are the corporation’s/designated institution’s processes to ensure it is aware of funding rules? How does the corporation/ designated institution evidence learner eligibility, including but not limited to:   * evidence of the date on which learning activity begins and ends * evidence of learning activity taking place * evidence of learning support being delivered in accordance with the planned programme, where applicable?   How has the corporation/designated institution ensured it has complied with all subcontracting requirements? |  | [Minutes demonstrating corporation/ designated institution consideration and approvals]  [Corporation/ designated institution policies and procedures]  [Corporation/ designated institution funding claims / returns and reconciliations]  [Corporation/ designated institution actions taken]  [Data management strategy]  [Subcontracting policy and procedure] |
| **Funding agreements**  Compliance with ESFA, DfE and other devolved authority’s accountability agreements, grant funding agreements and contracts, particularly ensuring funding is used for the purposes given or generated.  Review of additional terms applied through a [notice to improve](https://www.gov.uk/government/collections/colleges-and-higher-education-institutions-notices-to-improve), if applicable.  Ensuring effective and efficient use of resources, solvency of the institution and safeguarding of assets in line with the Further and Higher Education Act 1992. | How is the corporation/designated institution able to demonstrate that:   * it is discharging its responsibilities to safeguard the corporation’s/designated institution’s assets? * due consideration has been given to decisions made regarding the operation and direction of a corporation’s/ designated institution’s activities in the context of risk to financial health? * it understands the implications of the new insolvency regime for FE bodies, and has taken robust steps to remain solvent? * it has a process in place to inform ESFA and DfE of any transactions that could jeopardise financial viability? * policies and procedures are in place that set powers of authorisation and situations where corporation/designated institution approval is required? * Corporation/designated institution members discharge their responsibilities as charity trustees, particularly in overseas investments? * it periodically reviews the profile of its activities to ensure they are within its powers? * it is satisfied in monitoring the financial performance of any non-core activities that they are not being materially subsidised from public funding? * is the governance professional independent with the skills and expertise to support the governance function, and the corporation’s/designated institution’s decision-making? |  | [Corporation/ designated institution and committee minutes]  [Relevant policies and procedures and regularly reviewed]  [Charity law and requirements embedded in corporation/ designated institution finance policies]  [Notice to improve]  [Regularly reviewed investment policy]  [Risk register]  [Reserves policy]  [Audit committee includes within its scope the legal elements referred to]  [Scheme of delegation]  [Financial forecasts] |
| **Special payments, including severance, compensation and ex gratia payments.**  Demonstration that any such payments:   * comply with the ESFA approval requirements arising from reclassification of the sector on 29 November 2022. * are regular and represent value for money. * were not made where disciplinary or efficiency action would have been more appropriate. | Where the corporation/designated institution has considered entering into an agreement to settle any employment claims brought by an employee (including but not limited to key management personnel), has it:   * taken appropriate professional advice? * approved the terms of any final agreement? * brought all settlements to the attention of the external auditor/reporting accountant?   In terms of special severance payments generally, has the corporation/designated institution:   * considered whether a special severance payment is appropriate given the circumstances? * taken legal/HR advice which has been documented? * clearly documented the management and approval process? * considered the appropriate level of payment? * ensured they can support any non-financial considerations with evidence? * followed the guidance in ‘[’Public Sector Exit Payments Guidance on Special Severance Payments](https://www.gov.uk/government/publications/public-sector-exit-payments-guidance-on-special-severance-payments)”? Where no consent is required from ESFA/DfE, has the college/college group complied with the same evidence requirements to document the rationale for not applying for consent?   For any severance, compensation and ex gratia payments, where the payment exceeded the delegated limits given following reclassification of the FE sector, has prior approval been obtained from DfE? (Please refer to the “[Dear accounting officer” letter](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector) of 29 November 2022 and the relevant [bite size guide published on Gov.UK](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-for-special-payments-including-severance-compensation-and-ex-gratia-payments)). |  | [Advice received]  [Minutes of relevant meetings]  [Notification to reporting accountant]  [Correspondence with employee]  [Mini business case or equivalent, including approval]  [Correspondence to and from ESFA and/or DfE]  […and any other germane evidence] |
| **Write offs and entering into commitments, giving rise to contractual liabilities**.  Compliance with HM Treasury ‘Managing Public Money’ (MPM)-related and other transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met.  This includes being able to evidence that debts and losses written-off, guarantees or letters of comfort entered into, and indemnities entered into which were not in the normal course of business, had approval from DfE before made where they exceeded delegated limits (As per ESFA published bite size guides). | Before making a write off, have the following been considered and clearly documented (with any legal advice given):   * the circumstances * the rationale for the write-off * the cost effectiveness of further action * in the case of an overpayment, whether the recipient accepted the money in good or bad faith, and whether the college treated those in a similar situation equitably, and the length of time since the payment was made. * evidence of any fraudulent intent * whether any defects have been identified in the college’s systems of control and, if so, what action will be taken.   Where the corporation/designated institution has written off debts and losses, entered into guarantees or letters of comfort, or entered into indemnities which were not in the normal course of business, has it:   * obtained prior approval from DfE where the transaction exceeded the delegated limits given following reclassification of the FE sector (Please refer to the “[Dear accounting officer letter](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector)” of 29 November 2022 and the [relevant bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-for-write-offs-and-losses), published on Gov.UK)? |  | [Advice received]  [Corporation/ designated institution minutes or other documents showing the results of enquiries, relevant discussions, final decision made and approval (with supporting evidence)]  [Corporation/ designated institution papers and minutes of consideration and approvals]  [Mini business case or equivalent, including approval]  [Correspondence to and from ESFA and/or DfE]  […and any other germane evidence] |
| **Novel, contentious and repercussive transactions**  Compliance with the MPM-related and other transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met.  This includes being able to evidence that novel, contentious, or repercussive transactions had prior approval from DfE. | Does the college have arrangements for identifying and considering transactions which may be novel, contentious or repercussive?  Before entering into a novel, contentious, or repercussive transaction, have factors such as the following been taken into account:   * financial exposure * value for money * reputational risk * propriety.   Has prior approval been obtained from DfE in line with the conditions set out in the [relevant bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-for-novel-contentious-and-repercussive-transactions)? |  | [Advice received]  [Corporation/ designated institution papers and minutes of consideration]  [Correspondence to and from ESFA and/or DfE]  […and any other germane evidence] |
| **Appointments**  Performance of appointment checks (see [governance guide](https://www.gov.uk/guidance/fe-governance/the-corporation#checks)).  **Senior Pay Controls**  Compliance with the transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met. | Is there a policy and process for checks to be performed on appointment of governors/staff, including ‘fit and proper persons’ checks as required? Have ‘disqualification’ checks been carried out prior to the appointment of governors and staff (i.e. the [charity law rules](https://www.gov.uk/guidance/automatic-disqualification-rule-changes-guidance-for-charities) which prevent certain people from becoming trustees and or taking up senior staff roles such as chief executive/principal and director of finance)?  If the corporation/designated institution has appointed a new governance professional, has it established that the person selected has a qualification relevant to the role, or equivalent experience?  Has the corporation/designated institution obtained prior approval from DfE where remuneration is for roles paying £150,000 and over, or performance-related pay exceeds £17,500, in line with the conditions set out in paragraphs 2.3 to 2.11 of the [HM Treasury guidance for approval of senior pay](https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward)? (Please see the “[Dear accounting officer](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector)” letter of 29 November 2022 and the relevant [bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/senior-pay-controls-for-colleges), published on Gov.UK for further information). |  | [Appointment policy]  [Evaluation of candidates]  [Appointment policy]  [Evaluation of candidates]  [Corporation/ designated institution papers and minutes of consideration and approvals]  [Correspondence to and from ESFA and/or DfE]  […and any other germane evidence] |
| **Anti-corruption**  Development of clear protocols to mitigate against corruption (in addition to register of interests), for example policies on acceptance of gifts and/or hospitality, including compliance with the [Bribery Act 2010](http://www.legislation.gov.uk/ukpga/2010/23/contents) and [Proceeds of Crime Act 2002](http://www.legislation.gov.uk/ukpga/2002/29/contents).  Compliance with basic charitable principle to act in good faith for the benefit of the corporation/designated institution – see [The Essential Trustee](https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3). | How is the corporation’s/designated institution’s policy for personal gifts and/or hospitality applied and reviewed? Is the policy fit for purpose and has it been complied with?  Has the recruitment process:   * been reviewed to ensure it stands up to public scrutiny? * been clearly documented in corporation/ designated institution financial regulations or procedures?   Is there an applied policy about training staff in the requirements of the Bribery Act 2010? |  | [Gifts and hospitality policy]  [Register of interests]  [Minutes of relevant meetings]  [Financial regulations and procedures]  [Recruitment processes documentation]  [Communication of training requirements] |
| **Conflicts of interest and related parties**  Implementation of clear framework and monitoring of such transactions which extends to all staff in procurement positions and all governors. | How does the governance professional maintain a register of personal interests, and check/monitor conflicts of interest? Is the register available to any person wishing to inspect it, and does it cover:   * all governors? * all key staff with significant financial and decision-making responsibilities? * all key management personnel? * anyone else with a capacity to influence and/or control? * other persons/entities which are defined by the standard as related parties, such as close family members?   Is this register appropriately used within the procurement process to ensure potential related party transactions are identified and can therefore be appropriately authorised?  What is the policy to demonstrate fair and transparent recruitment practices, including even-handedness in the interviewing and appointment of staff?  How has the corporation/designated institution avoided conflicts of interest associated with procurement, tendering and subcontracting? |  | [Board and subcommittee minutes]  [A list of governors, with their roles on the Board including membership of any sub-committee(s)]  [Register of interests and access arrangements/ requests]  [Staff structure with names of key staff in a position of authority]  [Summary of potential conflicts and actions taken to mitigate]  [Authorisation of related party transactions at the appropriate level] |
| **Whistleblowing and complaints**  Implementation of a clear whistleblowing and complaints handling policy. | Has the corporation/designated institution approved and published, a whistleblowing policy, that enable concerns to be raised confidentially inside and outside the corporation/designated institution?  What is the process for receiving complaints, and how is it reviewed for effectiveness? |  | [Whistleblowing policy and procedures, and associated logs] |
| **Internal control**  Development of robust internal controls to prevent fraud and financial irregularity of any sort and procedures that include reporting of fraud and financial irregularity in line with the Post-16 Audit Code of Practice.  Compliance with the transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met. | How has the corporation/designated institution established robust internal controls to prevent and manage fraud, irregularity, theft, bribery and corruption?  Is there a process for corporations/ designated institutions to disclose any such events to the chair of the audit committee, and external and internal auditors, and has this process been followed?  Is there a process to notify ESFA of any significant matters in excess of £10,000 (or less than £10,000 if unusual, novel, complex or there may be public interest)?  Has the corporation/designated institution established a fraud log, with adequate processes which led to losses or events being recorded?  Has the corporation/designated institution received any communications from ESFA and/or DfE about potential fraud and whistleblowing allegations?  Has the corporation/designated institution a process to provide its reporting accountant with copies of ESFA and/or DfE communications, or the main outcomes from any potential fraud and whistleblowing allegations, and was this process followed?  Does the risk register appropriately reflect the risk of fraud to the entity in key areas?  Has the corporation/designated institution updated its financial procedures and scheme of delegation to take into account the necessary changes in approval processes arising from the reclassification of the sector, as set out in the “[Dear accounting officer](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector)” letter of 29 November 2022 and the relevant [bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification), published on Gov.UK. |  | [Whistleblowing / fraud log includes [Action Fraud](https://actionfraud.police.uk/) actions]  [Reporting accountant receives investigations outcomes]  [Evidence of a counter fraud strategy]  [Risk register]  [Copies of emails to ESFA ‘allegations’ mailbox and replies]  [Updated internal documents, for example schemes of delegation, process maps etc..] |
| **Safeguarding assets**  Development of appropriate policies to safeguard the assets under the corporation’s/designated institution’s control.  Development of clear protocols to mitigate against inappropriate disposal of assets. | What procedures does the corporation/designated institution have to safeguard assets from e.g.   * fire and theft (e.g. physical security and compliance with fire regulations)? * acts of vandalism? * cyber security breaches?   Has the corporation/designated institution experienced any such occurrences in the year? If yes, have details been provided to the reporting accountant, ESFA, DfE (if required) and [Action Fraud](https://actionfraud.police.uk/)?  Have any insurance claims been made in the year, and if so of what value?  Is insurance cover regularly reviewed?  Do the corporation’s/designated institution’s procedures detail the processes for the disposal of assets, and reflect value for money?  Have any large, fixed asset disposals in the year been appropriately approved/reviewed? |  | [Details of approved terms and conditions different to the standard terms applied to staff]  [Relevant policies and procedures]  [Evidence of physical asset checks]  [Evidence of insurance cover]  [Financial regulations and up to date asset register] |
| **Disposal of assets**  Compliance with the MPM-related and other transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met. | Where disposals of assets have occurred, has the corporation/designated institution met the requirements placed on it by the “[Dear accounting officer](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector)” letter of 29 November 2022 and the relevant [bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-regarding-asset-disposals), published on Gov.UK? |  | [Corporation/ designated institution papers and minutes of consideration and approvals]  [Correspondence to and from ESFA and/or DfE]  […and any other germane evidence] |
| **Investment in subsidiary, joint ventures or similar arrangements**  Compliance with basic charity law principle to act in good faith for the benefit of the corporation/designated institution – see the Charity Commission’s [The Essential Trustee](https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3).  Compliance with the MPM-related and other transactional requirements arising from reclassification of the sector on 29 November 2022, and demonstration that they have been met. | Have payments to partner organisations been made in line with contractual terms and the corporation’s/designated institution’s financial regulations?  Where the corporation/designated institution has entered into any subsidiary, joint venture or similar arrangements, has it:   * obtained professional advice? * secured prior approval by the board? * established appropriate arrangements for each subsidiary, associate and/or joint venture to enable it to discharge its accountability responsibilities? * had due regard to a cost/benefit analysis, managing potential conflicts of interest, charity law, compliance with charitable objects, and ESFA and DfE accountability and funding agreements? * where subsidiaries are loss-making, reviewed any financial support and avoids placing its assets at risk? * ensured compliance with HMRC rules on trading, including tax efficiency? * taken steps to ensure that the financial procedures of the subsidiary have been updated to take into account requirements arising from reclassification of the sector as set out in the “[Dear Accounting Officer](https://www.gov.uk/government/publications/reclassification-of-fe-colleges-sixth-form-colleges-and-designated-institutions-in-england-to-the-central-government-sector)” letter of 29 November 2022 and the relevant [bite size guide](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification), published on Gov.UK?   Has due regard been given to the Charity Commission’s guidance on [investments](https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees), [subsidiaries](https://www.gov.uk/government/publications/trustees-trading-and-tax-how-charities-may-lawfully-trade-cc35) and [connected organisations](https://www.gov.uk/guidance/guidance-for-charities-with-a-connection-to-a-non-charity)?  Are regular reports provided to governors on performance? |  | [Corporation/ designated institution papers and minutes of consideration and approvals]  [Evidence of compliance with HMRC & Charity Commission requirements]  [Communication with professional advisors / accountants / auditors]  [Board meeting minutes]  [Register of interests]  [Updated internal documents, for example, schemes of delegation, process maps etc.]  […and any other germane evidence] |
| **Maintenance of premises**  Management/development of the corporation’s/designated institution’s property to ensure properly equipped and maintained premises which can deliver the education and training for which they are funded. | Has the corporation/designated institution agreed a property strategy?  Has the corporation/designated institution notified ESFA/DfE if it is considering significant disposals, particularly assets supported by any capital grant? [*Please see* *the earlier section on ‘*[*disposal of assets*](#disposal)*’ for further information on the post-reclassification requirements in this area*].  Does the corporation/designated institution have an appropriate policy for approving long term development expenditure? |  | [Asset management plan]  [Notification to ESFA/DfE]  [Scheme of delegation] |
| **Expense claims**  Controls and monitoring over expense claims (particularly expenses of key management personnel and all overseas expenses), corporation/designated institution credit cards and ex gratia payments. | Does the corporation/designated institution have policies and procedures for expense claims that are regularly reviewed and include the authorisation process of expenses claims for key management personnel?  Is there an appropriate authorisation process in place if the corporation/designated institution operates a credit card?  Were any ex-gratia payments made, and why? (*Bite size guide link:* [*here*](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-for-special-payments-including-severance-compensation-and-ex-gratia-payments)). What is the value of expenses paid to key management personnel and governors in the year, and have these been appropriately approved? [*Note: If colleges are in doubt about a proposed transaction, and/or whether the transaction is novel, contentious, or repercussive, they should refer to the relevant* [*bite size guide*](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-for-novel-contentious-and-repercussive-transactions)*,* *published on Gov.UK.]*  What was the level of travel and subsistence expenditure on overseas trips in the year to date? Does it fit with the charitable objects and relate to a strategy for overseas activities approved by the corporation/designated institution, and is the corporation/designated institution informed of this expenditure? |  | [Expense claim policies and procedures]  [Example claims for key management personnel]  [Evidence of control and monitoring]  [Evidence of fit with charitable objects]  [Reports to corporation/ designated institution and minutes of consideration and approval] |
| **Project appraisal**  Development of processes to monitor and control discrete projects and initiatives, including non-core activities. | Does the corporation/designated institution (or relevant committee) receive separate reports on the progress of significant projects and initiatives from their inception (including risk and financial assessment) through to completion and subsequent post-implementation review?  Does this extend to capital and revenue projects?  Are requirements embodied within the corporation’s/designated institution’s financial regulations? |  | [Corporation/ designated institution papers and minutes of consideration and approval]  [Financial regulations] |
| **Procurement**  Confirmation of reasonableness of procurement policies (e.g., limits for individual purchase without recourse to governors), including no unnecessary extravagance in purchases.  Confirmation that value for money in all transactions involving public funds has been ensured. | Is there a process that includes the corporation/designated institution approving expenditure levels above which formal quotations are required, and which further approval levels operate, to ensure value for money via procurement?  Has any expenditure been incurred which does not comply with procurement or financial policies, such as a single tender?  Is the corporation/designated institution able to demonstrate:   * value for money, especially for public interest activity (e.g., overseas activity, termination payments, investments) and where necessary consideration/ documentation of cost vs benefit? * documenting not just that the corporation/ designated institution does something, but should it and why? * justification for activity/expenditure that does not appear to benefit the corporation/ designated institution, directly or indirectly? * consideration of return on investment / good use of public funds? |  | [Corporation/ designated institution papers and minutes of consideration and approval]  [Financial regulations]  [Notification to funding body]  [Corporation/ designated institution papers and minutes of consideration and approval]  [Independent advice received]  [Use of benchmarking data]  [Evidence of tender process/ quotation(s) received] |
| **Governance**  The corporation/designated institution must undertake an annual governance self-assessment review every year, except in the year of an external governance review, and have an external governance review every three years from academic year 2021-22. | Has an annual self-assessment of governance taken place and there is evidence of such?  Has there been an external review of the corporation’s/designated institution’s governance?  Is any external reviewer independent and expert?  Has an action plan been produced to address any areas for development and has responsibility for all actions been assigned? |  | [Self-assessment]  [Terms of reference for external review]  [An appropriate qualification]  [Letter of appointment/ contract]  [Action plan] |
| **Legal, regulatory, and rules compliance**  Compliance with the law, regulations and rules affecting exempt or registered charities depending on the college’s charitable status. | Does the Board have the necessary systems in place to check that they understand and are complying with the law, regulations and rules for charities, including seeking specialist advice where needed? |  | [Checklist of requirements]  [Instrument of governance]  [Training and development of governance professional] |

## Declaration

I confirm that these responses are correct to the best of my knowledge and belief, and that we have forwarded to the corporation’s/designated institution’s external auditor any communications from ESFA in connection with potential fraud and/or whistleblowing allegations.

Signed

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Accounting officer Date Chair of governors Date