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[Department
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Guidance

FE and sixth-form college corporations: governance guide

Updated 23 October 2023

Applies to England

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This publication is available at <https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/fe-and-sixth-form-college-corporations-governance-guide>

Ministerial foreword from Alex Burghart MP, Minister for Skills

This is a really exciting time for further education. In an economy that has never been more hungry for skills, colleges have a pivotal role to play in the pathway to a bright future.

With the invaluable support of governance professionals, your role as governors is vital in enabling colleges to provide high-quality learning and good education outcomes for students.

The [Skills and Post-16 Education Act](#)

(<https://www.legislation.gov.uk/ukpga/2022/21/enacted>), which I had the privilege of helping onto the statute book, further emphasises the importance of the challenging but rewarding role of governors.

In creating a new duty to consider local needs, the Act should focus your minds on how best to align your college's provision to the needs of your local area. By doing so, you will enable students from your local community to learn the skills required to get great jobs and provide them with the means to plan a fulfilling and productive life.

Given how crucial our colleges are in delivering the skills that local areas need, I want to ensure that you are supported to achieve and maintain excellence in governance. This is why I am so pleased to be able to provide you with this updated governance guidance.

As always, the guidance will help you understand your duties and responsibilities as a governor and charity trustee, helping you to govern well and to maximise the performance of your college. It takes you through the key governance requirements, and associated good practice, for an FE board.

This version of the guidance reinforces our advice on how best to recruit governors and senior leaders, the importance of diversity and inclusion, and reflects recent changes to statutory and funding requirements.

I very much appreciate the commitment you show to public service in volunteering for such a worthwhile role.

Using this guide

The guide highlights key points for each topic, with links to more detailed information.

The guide should be read in conjunction with your FE or sixth-form college corporation's [instrument and articles of government](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#instrument-and-articles-of-government) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#instrument-and-articles-of-government>), and the [standing orders](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#standing-orders) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#standing-orders>) and [governance code](#) used by your board.

Your corporation's governance professional plays an important part in supporting your understanding of your role and will be able to advise you on many of the matters covered in the guide.

This guide is not an exhaustive statement and is not a substitute for independent professional advice.

Your responsibilities as a governor are outlined in this guide as 'must' and 'should' guidance. That is:

- **must:** a legal or regulatory requirement or duty you must comply with
- **should:** good practice that you are advised to follow unless there is a considered and recorded reason for not doing so

The corporation

FE and sixth-form college corporations are the legal entities that operate one or more colleges.

The status of your corporation is both:

- a [statutory corporation](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#statutory-corporation) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#statutory-corporation>) established under the [Further and Higher Education Act 1992](https://www.legislation.gov.uk/ukpga/1992/13/contents) (<https://www.legislation.gov.uk/ukpga/1992/13/contents>) (FHEA 1992)
- an [exempt charity](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#exempt-charity) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#exempt-charity>)

Your corporation is established under the FHEA 1992 for the charitable purpose of advancing education.

An FE or sixth-form college is an activity through which your corporation achieves its charitable purpose. Your college(s) is not a legal entity in itself.

The following sections set out how corporations are run and the responsibilities of governors.

Responsibilities of boards and governors

Core functions

The core functions of your corporation board include:

- determining or, for Catholic sixth-form colleges, preserving and developing your college's educational character
- setting and communicating your college's strategy and goals
- holding executive leaders to account for the educational performance and quality of your college, and for the performance of staff
- exercising effective control to ensure that funds and assets are protected, your organisation remains solvent and legal obligations are met

Six main duties

As a member of the board, you are a governor and a [charity trustee](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#charity-trustees) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#charity-trustees>). You and your co-governors are collectively responsible for your charity and have 6 main duties under charity law:

1. Ensure your corporation carries out its purpose for the public benefit

You must ensure your corporation carries out the charitable purpose for which it was set up, and no other purpose.

Corporations can operate one or more colleges. Their principal powers include the provision of:

- further and higher education
- secondary education to students aged 14 and over
- goods or services in connection with the above

You should:

- ensure you understand your corporation's purpose and, with your co-governors, plan how this will be achieved
- understand, and be able to explain, how your corporation [benefits the public](https://www.gov.uk/government/publications/public-benefit-running-a-charity-pb2) (<https://www.gov.uk/government/publications/public-benefit-running-a-charity-pb2>)
- be able to explain how your corporation's activities support its purpose

2. Comply with your corporation's governing document and the law

You must:

- comply with charity law and other laws and regulations that apply to your corporation
- comply with your corporation's instrument and articles of government

Your board can amend your corporation's instrument and articles in accordance with the procedure set out in that document. But your board must not make changes that:

- cause the corporation to cease to be a charity
- give a [personal benefit](#) to a governor, unless this has [Charity Commission](#) approval
- cause the instrument and articles to no longer comply with [Schedule 4 of the FHEA 1992](https://www.legislation.gov.uk/ukpga/1992/13/schedule/4) (<https://www.legislation.gov.uk/ukpga/1992/13/schedule/4>)

3. Act in your corporation's best interests

You must:

- decide with your co-governors what will best enable your corporation to carry out its purpose
- make [balanced and informed decisions](#) with your co-governors
- avoid being in a position where your duty to your corporation [conflicts with your personal interests](#)
- not receive any [benefit from your corporation](#), unless this is authorised and is in your corporation's interests

4. Manage your corporation's resources responsibly

You must:

- make sure your corporation's assets are used only to support its purpose
- avoid exposing your corporation to [undue risk](#)
- not overcommit your corporation
- take care when [investing](#) or borrowing
- comply with any restrictions on spending funds or [selling land](#)
- ensure the effective and efficient use of resources

5. Act with reasonable care and skill

You:

- must take reasonable care in governing your corporation, making best use of your skills and experience, and taking appropriate advice when necessary
- should give enough time to your role, including preparing for and participating in meetings

6. Ensure your corporation is accountable

You must comply with accounting and reporting requirements. You should also:

- demonstrate that your corporation complies with the law and is run effectively
- ensure accountability in your corporation, especially where duties or tasks are delegated to staff

For more information on your responsibilities, we strongly recommend that you read the Charity Commission guide '[The essential trustee \(https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3\)](https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3)'.

Governor conduct

You should also follow the Nolan '[7 principles of public life \(https://www.gov.uk/government/publications/the-7-principles-of-public-life\)](https://www.gov.uk/government/publications/the-7-principles-of-public-life)'. These are ethical standards expected of people in public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

In addition, your board should have its own code of conduct. This should be reviewed regularly to make sure it continues to reflect good practice.

Find out more about [governor conduct](#).

Recruiting and developing governors

Board composition

Your corporation's instrument and articles set out the rules on board composition.

Your board must include staff and student members. For sixth-form corporations, your board must also include parent governors.

It's common for the college principal to be a board member, but this is not a statutory requirement.

Your board is responsible for selecting new governors and appointing existing governors to new board positions. Exceptions are:

- special arrangements set out in your instrument and articles for the appointment of staff, parent (in the case of sixth-form corporations) and student governors, such as peer nomination or election
- where other bodies may have a role in appointments

Example: another body plays a role in appointments at Catholic sixth-form college corporations. The board must include a majority of members, known as foundation governors, who have been appointed by the Bishop or religious order to preserve and develop the character of the college, and to ensure the college is conducted in accordance with the trust deed of the diocese or religious order.

Terms of office

Your corporation's instrument and articles set out the length of governor appointments and the arrangements for any reappointments.

All the [governance codes](#) used by corporations emphasise the value of board membership being refreshed at intervals. Your board should check that the governor appointment provisions in the instrument and articles are consistent with the code it's using.

Governor eligibility

Minimum age

Your corporation's instrument and articles set out the minimum age for board members.

The minimum age is normally 18, except for student governors.

Disqualification restrictions and checks

No one disqualified under charity law from being a charity trustee can be a college corporation governor.

Reasons for disqualification include being disqualified as a company director or having an unspent conviction for various offences.

The Charity Commission can lift disqualifications.

Before appointment, your board should obtain a declaration from prospective governors that they are not disqualified.

Your board should also request a [Disclosure and Barring Service](https://www.gov.uk/government/organisations/disclosure-and-barring-service/about) (DBS) criminal records check to be sure that a prospective governor is eligible to serve.

In addition, [safeguarding](#) legislation restricts who can work with children and vulnerable adults.

Where a prospective governor's role has the opportunity for contact with children and vulnerable adults, your board should consider and record on a risk assessment basis whether an enhanced DBS check is needed. This should include a check against the DBS list of those barred from working with these groups.

An enhanced DBS check may also be needed if there is any change in a serving governor's role.

'Fit and proper persons'

As charities, corporations that claim UK tax relief and exemptions must meet the management conditions in schedule 6 of the [Finance Act 2010](https://www.legislation.gov.uk/ukpga/2010/13/schedule/6) (<https://www.legislation.gov.uk/ukpga/2010/13/schedule/6>).

This requires that all your corporation's managers, including governors, are 'fit and proper persons', as set out in the HM Revenue and Customs (HMRC) publication '[Guidance on the fit and proper persons test](https://www.gov.uk/government/publications/charities-fit-and-proper-persons-test)' (<https://www.gov.uk/government/publications/charities-fit-and-proper-persons-test>).

If your college is registered with the [Office for Students \(OfS\)](#), you should refer to the 'fit and proper persons' guidance in OfS' [regulatory framework](https://www.officeforstudents.org.uk/publications/securing-student-success-regulatory-framework-for-higher-education-in-england/) (<https://www.officeforstudents.org.uk/publications/securing-student-success-regulatory-framework-for-higher-education-in-england/>) (Annex B: Public interest governance principles)

Find out more about [governor eligibility](#).

Recruiting governors

A recruitment strategy which looks to reach a wide range of potential candidates is key to your board's effectiveness.

To address the challenges of FE governance, boards need a mix of backgrounds, skills, knowledge and perspectives.

Diverse boards also tend to make more balanced and better-informed decisions.

It is important for public confidence to have a board which reflects the local community, reducing the risk of disconnect between governors and the students they serve.

When planning a recruitment exercise, remember to take into account:

- your corporation's instrument and articles
- good practice in the code(s) of governance your board follows
- the skills and knowledge needed to enable your board to effectively fulfil its:
 - legal and regulatory obligations
 - functions and strategic plans, such as governance, finance or estate management expertise, and experience and understanding of FE
- competencies such as judgement and team-working
- the outcomes of recent internal and external governance reviews
- equality and diversity considerations, including collecting diversity data at key recruitment stages to check how well you attract underrepresented groups and the fairness of processes
- board values and desired behaviours

It is good practice to have a succession-planning policy, which could include:

- providing development for existing governors to enable them to put themselves forward for chair or vice-chair roles
- building a broader range of potential candidates by linking to local or national networks and communities which represent or include groups who are underrepresented on your board
- engaging with employers and professional organisations, particularly where specialist skills or experience are needed
- inviting interested individuals to join a subcommittee to gain insight and experience in advance of any application to become a governor

Your board may delegate some of its recruitment activity to a search or nominations committee or to staff, but must retain overall control of the process.

Advertising and searching for candidates

Recruitment should be open and transparent. It should not rely solely on informal networks because this limits the field of candidates and risks your board missing out on valuable knowledge, skills or experience. You should aim to reach a diverse range of people via external campaigns and ensure the process is accessible to disabled candidates.

Where another organisation or person who is not part of the board plays a role in appointing governors, your board should make them aware of the skills and experience the corporation needs. Your board should also highlight any gaps in representation from particular groups.

Adverts and information packs should use inclusive language to clearly describe the role, the skills required and the contribution that the successful candidate can make. It is a good idea to include the benefits of becoming a governor, such as the development of professional skills and making a contribution to the local community.

To maximise reach, think about competencies or transferable skills, such as good judgement, decision-making, teamworking and strategic thinking, rather than focusing just on board experience.

It can be helpful to manage the expectations of potential applicants by making the time commitment clear. Alongside this, the pack might describe the support available to governors, such as an induction programme, mentoring or buddying, governor development or help with childcare costs and other expenses.

Ways of attracting a broader field of candidates that have worked for corporations include:

- open evenings and taster sessions
- community groups and networks, local employers, chambers of commerce and local authorities
- social media, including LinkedIn
- charity volunteer recruitment sites, such as [Charity Job \(https://www.charityjob.co.uk/info/aboutus\)](https://www.charityjob.co.uk/info/aboutus) or [Do It \(https://doit.life/volunteer/find-volunteers\)](https://doit.life/volunteer/find-volunteers)
- organisations that support underrepresented groups in public life, such as [Getting On Board \(https://www.gettingonboard.org/\)](https://www.gettingonboard.org/), [Young Trustees Movement \(https://youngtrusteesmovement.org/\)](https://youngtrusteesmovement.org/) or [Women on Boards \(https://www.womenonboards.net/en-gb/home\)](https://www.womenonboards.net/en-gb/home)
- executive search agencies

For Catholic sixth-form college corporations, either the Bishop or the Provincial of the religious order will have a recruitment process for foundation governors

and will liaise with your corporation regarding skills requirements.

Selection and appointment

Interviews should be carried out by a diverse panel of governors, with varied backgrounds and skills which will enable a rounded view to be formed of a candidate. An independent member may be useful to increase the panel's diversity or where the advertised role requires specialist knowledge. Where a chair is being recruited, the [Further Education Commissioner's team](https://www.gov.uk/guidance/help-and-support-for-colleges) (<https://www.gov.uk/guidance/help-and-support-for-colleges>) may be able to provide an independent panel member: fe.commissioner@education.gov.uk

To ensure that candidates fully understand the role, the interview process could include one-to-one meetings with the principal and chair, a tour of the campus and the opportunity to meet students.

It is recommended that interviewers receive appropriate training and use agreed selection criteria.

Selection recommendations should be presented to the full board for consideration. Care should be taken regarding the [General Data Protection Regulation \(GDPR\)](https://www.gov.uk/government/publications/guide-to-the-general-data-protection-regulation) (<https://www.gov.uk/government/publications/guide-to-the-general-data-protection-regulation>) when handling candidate details.

Before appointment, your board:

- must ensure that [checks are carried out](#) on an individual's suitability
- should ensure that prospective governors:
 - are made aware of the legal responsibilities they will take on as charity trustees
 - declare any conflicts of interest or loyalty

Your board should also be transparent in reporting recruitment. Sharing details in annual reports of selection procedures and of the work of search committees will enable your board to show that open recruitment processes are in place.

Find out more about [recruiting governors and increasing diversity on your board](#).

Governor development and support

Investment in individual governor learning is an investment in your corporation as a whole.

It's good practice for your board to have a governor training policy and to agree an annual development plan, ensuring that all governors have opportunities for learning.

This will maximise governors' contribution to college success, and reduce the risk of ineffective governing.

New governors should be offered a structured induction programme, tailored to their individual needs. This is important to ensure they:

- understand the context of their role, including the legal status and powers of your corporation and their responsibilities as charity trustees
- understand the roles of key people in your college and the difference between governance and operational management
- are aware of important documents, such as the instrument and articles and the corporation's strategic plan

Your board's governance professional is a primary source of expertise and advice for governor learning, including helping new governors to make a full contribution as soon as possible. New governors may also benefit from being supported by a mentor or buddy. The particular needs of student governors should be carefully considered, to ensure that they feel fully part of the governing body.

Your board must include a statement in your annual report on governor development. This should refer to your board's development plan and briefly explain the learning activities undertaken in the year, indicating how these have benefited, or are likely to benefit, governance performance. There is a similar requirement for [governance professionals](#).

Find out more about [governor development and support](#).

Positive board behaviours

How board members work together is as important as governance structures and processes. Your board should commit to positive team behaviours and foster a culture which:

- empowers everyone to constructively question and challenge
- encourages and values independent thinking
- welcomes and draws on different perspectives to inform and improve decision-making

Your board should regularly discuss its ability to work as a team, including expectations about behaviours.

Find out more about [positive board behaviours](#).

Governor appraisal

It is good practice to evaluate the contribution of individual governors annually.

Appraisals help governors to develop in their role and make your corporation more effective. They are also an opportunity for governors to provide feedback on how the board works.

The chair usually leads appraisals, which may involve self-assessment or 360° feedback. The vice-chair or an external facilitator can lead appraisal of the chair.

Appraisals should also inform your board's [governance reviews](#) and decisions about renewal of terms of office.

Find out more about [governor appraisal](#).

Specific roles in the corporation

The effective running of a board requires the appointment or election of governors and others to specific roles, in accordance with your corporation's instrument and articles.

The appointment of a governor to a specific role does not remove any responsibility from other governors to manage the corporation in accordance with the legal and regulatory framework.

Key roles in a corporation include:

The chair

If you are the chair, you are responsible for:

- ensuring the effective functioning of your board
- setting expectations for high standards of governance

- giving your board leadership and direction, and keeping it focused on its core functions
- ensuring all board members understand what is expected of them, and receive appropriate induction, training and development
- ensuring that student governors are supported and engaged
- conducting performance reviews of board members and addressing any attendance or other issues which arise
- leading the recruitment and performance management of the [governance professional](#), the [principal \(https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide-2/explanation-of-terms#principal\)](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide-2/explanation-of-terms#principal) and, where appropriate, other [senior post-holders](#)
- being the main conduit for communication between the board and the principal
- building effective relations with the governance professional, the principal and the senior management team

You should also champion positive board behaviours. You should create the right conditions for board members to work together, so that they:

- feel comfortable questioning or challenging decisions
- actively contribute skills and experience
- participate constructively in meetings, whether face-to-face or [virtual \(https://www.cgi.org.uk/about-us/press-office/news-releases/guidance-about-virtual-board-meetings-issued-by-the-chartered-governance-institute\)](https://www.cgi.org.uk/about-us/press-office/news-releases/guidance-about-virtual-board-meetings-issued-by-the-chartered-governance-institute)
- feel included and valued and are motivated to remain for their full-term

As all board members have equal responsibility for the governance of a corporation, your voice carries the same weight as that of other governors. You should not dominate the decision-making process. This does not prevent you from exercising a second or casting vote if your corporation's instrument and articles allow this.

Find out more about the [chair](#).

Governance professional

Governance professionals (also known as directors/heads of governance or clerks) are critical to board performance.

Your governance professional should support your board in meeting high standards of governance, including fulfilling legal or regulatory requirements and decision-making. Your governance professional should play an important role in communication between the board and executive managers.

Your governance professional should report directly to the chair in matters of board business, so that their role as a provider of independent advice to the board is protected.

They should provide guidance to your board, and to governors individually, on:

- effective governance
- governors' obligations and your board's powers
- the implications of policy or regulatory developments
- training and development opportunities for governors, underpinned by regular board skills audits
- assessment of board performance

They also play a key role in the induction of new board members and help to engage student governors with your board's work.

Your board should:

- ensure that the time allocated to the role is sufficient to allow your governance professional to meet the demands of the job effectively
- reflect on the strategic importance of the role when setting the level of remuneration
- invest in your governance professional's development, including support to obtain advanced governance or other relevant qualifications where appropriate
- arrange an annual appraisal for the governance professional, using clear and measurable objectives

Your board must ensure that anyone selected for appointment as a governance professional has a qualification relevant to the role or equivalent experience.

It's for your board to judge the relevance of a candidate's qualifications and experience. Qualifications could include, for example:

- the Education and Training Foundation's [qualifications for governance professionals](https://www.et-foundation.co.uk/professional-development/leadership-and-governance-programmes/governance/governance-professionals/) (<https://www.et-foundation.co.uk/professional-development/leadership-and-governance-programmes/governance/governance-professionals/>)
- a certificate in charity law and governance
- a legal or para-legal degree or diploma
- an advanced corporate governance qualification

Qualifications in other areas, such as business management or finance, are not likely to be sufficient unless they have a substantial and comprehensive governance component.

Experience could include, for example, governance roles in:

- FE, academy trusts, universities or other large charities
- public bodies such as NHS trusts
- experience with a regulator or professional body concerned with standards in governance practice

Your board must also include a statement in your annual report on the development of your governance professional. This should briefly explain the learning activities undertaken in the year, indicating how these have benefited, or are likely to benefit, governance performance. There is a similar requirement for [governor development](#).

Find out more about development for [governance professionals](#).

Relationship between the chair, governance professional and principal

The chair, governance professional and principal should maintain regular 3-way communication to shape and refine your board's business, based on a board-approved strategic agenda for the year.

A close and productive working relationship between the chair, governance professional and college principal is key to effective governance.

They are the bridge between the business of your board and the operation of your college.

Committees

Subject to the rules on delegation in your corporation's instrument and articles, your board can:

- set up committees, or working groups, to assist in meeting its responsibilities
- appoint governors and other persons as members of those committees

Your board should ensure that:

- committee members have the skills and experience for the role, with relevant training provided as required
- people from underrepresented groups are encouraged to put themselves forward, so that committees benefit from a range of perspectives
- there are clear terms of reference that set out:

- the purpose and authority of the committee
- how the committee reports to your board
- committees are reviewed periodically to check that they remain effective in supporting the work of the board

As a condition of government funding, your corporation must have an [audit committee](#).

Your board can delegate aspects of decision-making to a committee, but it cannot delegate responsibility and must retain overall control.

Find out more about [committees](#).

Payments to governors and other personal benefits

Under charity law, you cannot normally be paid for serving as a governor, other than reasonable out-of-pocket expenses. You can only be paid, or receive another form of personal benefit, when it's in the interests of the corporation and provides a significant advantage over other options.

These rules also apply when someone closely connected to you, such as a civil or business partner, benefits in a similar way.

Charity Commission approval is needed for these sorts of payments or benefits. However, approval is not needed if your board already has a power to pay a governor.

If it's proposed that you be paid or receive a personal benefit, you should not be present at board discussions or decisions about this, nor at any subsequent meetings to review the payment or benefit.

Your board must disclose any payments to governors in your corporation's accounts.

Your board must also disclose any transactions or business arrangements between your corporation and an organisation or individual if the governors or senior staff have a personal connection with the organisation or individual.

Example: if your corporation buys sports equipment from a company run by a governor's sister, that is a personal connection.

Further information about payments to governors can be found in the Charity Commission publication '[Trustee expenses and payments](https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11)' (<https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11>).

The Charity Commission has a separate process for handling applications for governor payments in the following specific circumstances:

- where a college is going through significant change, such as a merger, and the additional and time-limited workload cannot be met by relying solely on voluntary effort
- where a college is failing to meet various requirements (such as education standards, financial management and governance) and attempts to recruit an unpaid chair have been unsuccessful
- where the role of chair is high demand in terms of time and skills because of the size and complexity of a college corporation (for example, a multi-college corporation) and attempts to recruit an unpaid chair have been unsuccessful

Details can be found in the Association of Colleges' '[Guidance on governor remuneration](https://www.aoc.co.uk/corporate-services/governance/guidance)' (<https://www.aoc.co.uk/corporate-services/governance/guidance>).

Making decisions and managing conflicts of interest

Making decisions

When making decisions, you and your co-governors must show you have:

- acted within your powers and made decisions consistent with your corporation's charitable purpose
- acted in good faith and only in the interests of your corporation
- made decisions based on sufficient evidence, informed by professional advice where appropriate
- considered all relevant factors, such as risks and benefits, funding, stakeholders' opinions and future college provision
- ignored irrelevant factors
- made decisions that are within the range of decisions a reasonable charity trustee body could make, such as being able to justify any decision not to follow professional advice

Decisions must not:

- be influenced by personal prejudices or connections
- be affected by any conflicts of interest

Governors are collectively responsible for making decisions about how their corporation is run. Each type of governor, such as staff or student governors, has equal responsibility.

If you are a governor nominated or appointed other than by the board, such as a student or parent governor, you are appointed in your individual capacity.

You are not appointed to represent any group you may be drawn from, or to follow instructions from the nominating or appointing body.

Following these decision-making principles will protect you in all aspects of running your corporation. If your board does not observe these principles and your corporation suffers a financial loss as a consequence, you and your co-governors may be personally liable under charity law.

Find out more about [making decisions](#).

Managing conflicts of interest

A conflict of interest is where your personal interests or loyalties could, or could be seen to, stop you from making a decision in the best interests of your corporation.

Examples of conflicts of interest include if:

- one of your relatives or business partners owns a company that enters into a contract with your corporation
- another charity where you are a trustee or your employer has a business relationship with your corporation

Under charity law, you must identify conflicts of interest and prevent them from affecting the decisions you make with your co-governors.

Example: college principals who are also governors should withdraw from discussions about their remuneration.

Your board should have a conflicts of interest policy, with systems in place to record and manage any such conflicts. For transparency purposes, it's good practice to publish declarations of interest.

Your governance professional should play an important role in establishing and administering such systems.

Your board must disclose details in its financial statements of any transactions with organisations or individuals where there is a close connection to the corporation or its governors (known as related party transactions).

Find out more about [managing conflicts of interest](#).

Compliance

Your board is responsible for ensuring legal and regulatory compliance across a range of areas, including:

- general principles of charity law and education law
- your responsibilities as operators of an educational institution, such as [health and safety](http://www.hse.gov.uk/services/education/index.htm) (<http://www.hse.gov.uk/services/education/index.htm>), [information management](https://ico.org.uk/for-organisations/) (<https://ico.org.uk/for-organisations/>) and [employment law](https://www.gov.uk/browse/employing-people) (<https://www.gov.uk/browse/employing-people>)
- conditions and obligations imposed by funding or regulatory bodies

Specific areas of compliance include, but are not limited to:

Careers guidance

High-quality careers guidance is important to help young people make an informed choice between progression to education or training at the next level or to employment.

FE and sixth-form colleges, and designated institutions, are subject to a funding requirement to secure access to independent careers guidance.

DfE's [careers statutory guidance](https://www.gov.uk/government/publications/careers-guidance-provision-for-young-people-in-schools) (<https://www.gov.uk/government/publications/careers-guidance-provision-for-young-people-in-schools>) sets out what is expected of colleges, including use of the [Gatsby Benchmarks of Good Careers Guidance](https://www.gatsby.org.uk/education/focus-areas/good-career-guidance) (<https://www.gatsby.org.uk/education/focus-areas/good-career-guidance>). Careers programmes should be published and need a strong employer focus, with opportunities for students to gain insights into different industries and sectors.

Your board must ensure that independent careers guidance is provided to all students up to and including 18 years of age and to students aged up to 25 with

an education, health and care plan. If your college receives funding from the Education and Skills Funding Agency adult education budget, you must ensure that your college holds the [matrix Standard \(https://matrixstandard.com/\)](https://matrixstandard.com/) for quality in the provision of information and guidance.

It's recommended that your board should:

- oversee your college's development of a rich and comprehensive strategic careers plan
- designate a governor to take a particular strategic interest in careers guidance
- look for opportunities to maximise your college's connections to employers and professional people, in order to enhance students' career aspirations

Find out more about [careers guidance](#).

Equality, diversity and inclusion

Equality, diversity and inclusion (EDI) should be an integral part of your strategy and business plans. It's important that this encompasses not just legal or regulatory obligations but also how EDI is championed and embedded throughout your organisation.

The [Equality Act 2010 \(https://www.legislation.gov.uk/ukpga/2010/15/contents\)](https://www.legislation.gov.uk/ukpga/2010/15/contents) applies to your corporation as:

- an employer
- a provider of a service or public function
- a provider of education
- a public body

Your corporation is subject to the [Public Sector Equality Duty \(https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty\)](https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty) and must have due regard for the need to:

- eliminate discrimination
- advance equality of opportunity and foster good relations between people who share a [protected characteristic \(https://www.equalityhumanrights.com/en/equality-act/protected-characteristics\)](https://www.equalityhumanrights.com/en/equality-act/protected-characteristics) and those who do not

Your corporation must publish equality objectives and information demonstrating how it meets these.

The Equality Act 2010 also includes specific requirements for education providers. In particular, your corporation must make reasonable adjustments for disabled students and is prohibited from discriminating against, harassing or victimising prospective and current students.

The Equality Act 2010 provides similar protection to former students in certain circumstances – for example, when a college provides a reference.

In order to preserve and develop its Catholic character, a Catholic sixth-form college can give priority to the admission of Catholic students, except in relation to courses that constitute vocational training.

If your corporation has 250 employees or more, it must observe the [gender pay gap reporting requirements \(https://www.gov.uk/guidance/gender-pay-gap-reporting-overview#mandatory-gender-pay-gap-reporting\)](https://www.gov.uk/guidance/gender-pay-gap-reporting-overview#mandatory-gender-pay-gap-reporting). It's also good practice to publish pay gaps for other protected characteristics, such as ethnicity.

It's a funding requirement that your college must take all reasonable actions to offer equality of access to learning opportunities and to close equality gaps in student learning and outcomes.

Your corporation must also complete DfE's annual survey of governors, which aims to provide a national picture of diversity on college corporation boards.

Meeting formal requirements is vital but is only part of an effective approach to EDI. Your board is also responsible for setting the values, culture and tone of your organisation.

Considering EDI in decision-making, where relevant, will allow your board to demonstrate and promote inclusive behaviours to the wider organisation.

It's recommended that your board should:

- develop a clear strategy for promoting EDI throughout the organisation, including in its membership and practice
- maintain active ownership of this strategy, with regular and robust oversight of implementation
- ensure that there is a focus on actions and impact, rather than just declarations of intent
- ensure that there are appropriate arrangements and resources in place to monitor and achieve EDI plans and objectives
- publish an annual EDI review, including data on protected characteristics at board, executive leadership, staff and student level and action to address disparities - it is good practice to aim for maximum transparency
- have a governor who takes a particular strategic interest in support for disabled students – see the [special educational needs](#) section

Find out more about [equality, diversity and inclusion](#).

Education & Skills Funding Agency (ESFA) accountability agreement

Your corporation needs to enter into annual [accountability agreements](https://www.gov.uk/government/collections/esfa-funding-agreements-and-contracts) (<https://www.gov.uk/government/collections/esfa-funding-agreements-and-contracts>) in order to receive money from ESFA.

Accountability agreements set out the requirements which your corporation must observe in areas such as:

- financial health and control
- education performance standards
- quality assurance
- public accountability
- the welfare of students

Breaches of an agreement may lead to [regulatory intervention](#), sanctions being imposed or termination of the agreement. If your college is registered with OfS, your corporation will also need to comply with the OfS regulatory framework and any relevant terms and conditions of funding.

Fraud and cyber security

Being able to predict, prevent and respond to fraud and cyber crime is vital to your corporation's security.

Your board must safeguard the corporation's money and assets and should protect them and the data it holds from all forms of fraud.

Your board should also be alert to the risk of cyber crime. This is criminal activity that targets or uses a computer, a computer network or a networked device.

Your board should ensure that:

- counter fraud, fraud response and cyber security strategies or plans are in place and are regularly reviewed - these should encompass the prevention, detection, investigation and recording of fraud and cyber security incidents
- fraud and cyber crime risks are regularly reviewed as part of its risk management strategy
- appropriate counter fraud and cyber security measures are in place, such as awareness training for staff

Your board must ensure that:

- significant cases of actual or suspected fraud or cyber crime are reported to ESFA at allegations.mailbox@education.gov.uk and that all cases are reported to the chair of your board's audit committee and to your external and internal auditors
- where necessary, data breaches are reported within 72 hours to the [Information Commissioner's Office \(https://ico.org.uk/for-organisations/report-a-breach/\)](https://ico.org.uk/for-organisations/report-a-breach/)

Your board should also ensure that all attempted or actual fraud and cyber crime is reported to [Action Fraud \(https://www.actionfraud.police.uk/reporting-fraud-and-cyber-crime\)](https://www.actionfraud.police.uk/reporting-fraud-and-cyber-crime), the UK national fraud and cyber crime reporting centre.

Find out more about [fraud and cyber security](#).

Local skills: local skills improvement plans and duty to review provision

The [Skills and Post-16 Education Act 2022 \(https://www.legislation.gov.uk/ukpga/2022/21/enacted\)](https://www.legislation.gov.uk/ukpga/2022/21/enacted) (the Act) has introduced local skills requirements for FE providers. These encompass the role of providers in local skills improvement plans and, for the statutory FE sector, a duty to review education provision.

When meeting these requirements, your board, as charity trustees, must also act:

- in accordance with your organisation's charitable purpose
- in the best interests of your charity and current and future students

Engagement with employers to understand their needs is important for informing your board's decisions about providing the right education and training to enable students to secure suitable jobs.

Local skills improvement plans

Under the Act, local skills improvement plans (LSIPs) led by employer representative bodies (ERBs) will set out the key changes needed in an area to better align post-16 technical education and training to local labour market skills needs. LSIPs will be created by employers and FE providers working together, in discussion with key local stakeholders.

The Act places duties on providers (including FE and sixth-form colleges plus designated institutions) where they deliver English-funded, post-16 technical education or training which is material to a specified geographical area.

These duties are for providers to:

- co-operate with the designated ERB to help it to develop an LSIP, keep this under review and develop a replacement plan where appropriate
- have regard to the LSIP when considering their technical education and training offer

Statutory guidance on LSIPs will be available later in 2022.

Duty to review provision in relation to local needs

There is also a new duty under the Act for the governing bodies of colleges, and designated institutions, to review how well their institution's provision meets local needs. Where a board oversees more than one college, such as in a college group, the duty applies separately with respect to each college.

Your board must:

- periodically review how well the education or training provided by your college meets local needs, having regard to statutory guidance
- consider, in the light of the review, what actions your college might take to better meet those needs
- publish the review on your college's website

Your board should carry out a review at least every 3 years, and consider carrying out these reviews in collaboration with the governing bodies of other local colleges.

LSIPs will be an important reference point when considering technical education and training.

Find out more about the [duty to review provision](https://www.gov.uk/government/publications/review-of-education-or-training-in-relation-to-local-needs) (<https://www.gov.uk/government/publications/review-of-education-or-training-in-relation-to-local-needs>).

Name changes

To change your corporation's name, your board must:

- follow the relevant provisions in your corporation's instrument and articles
- consult stakeholders
- apply to the Secretary of State for approval

There are rules on the names, words and expressions allowed. These also apply to business (trading) names. For example, a new name should not be too

similar to that of an existing educational organisation.

Find out more about [name changes](#)

(<https://www.gov.uk/government/publications/further-education-institutions-changing-a-name/changing-the-name-of-a-further-education-institution>).

Political activities

There are restrictions on the use of your corporation's funds for [political activities](#) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#political-activities>).

Under your corporation's accountability agreement:

- your corporation must not use government funding to influence parliament, government or political parties
- the funding must only be used for the purpose of delivering the services agreed or for meeting any other requirement in the accountability agreement

It's acceptable to use government funding to pay membership fees to college associations.

In addition, charity law says that your corporation may only undertake political activities, within certain limits, in support of its charitable purpose.

Find out more about [political activities](#)

(<https://www.gov.uk/government/publications/speaking-out-guidance-on-campaigning-and-political-activity-by-charities-cc9>).

Prevent

Under the [Counter-Terrorism and Security Act 2015](#)

(<http://www.legislation.gov.uk/ukpga/2015/6/contents/enacted>), your corporation must have due regard to the need to prevent people from being drawn into terrorism.

This is known as the Prevent duty, and is part of the government's counter-terrorism strategy, [CONTEST](#) (<https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2018>).

Under the Prevent duty, FE providers and practitioners must promote British values in their practice. They must use opportunities to explore British values and to challenge extremism.

British values are defined as including:

- democracy
- the rule of law
- individual liberty
- mutual respect and tolerance for those with different faiths and beliefs

Your board should ensure that:

- there is an executive lead for the Prevent duty
- a risk assessment is carried out of where and how students and staff may be in danger of being drawn into terrorism
- governors and staff receive appropriate training and know the process for referring concerns to the appropriate body, such as the local authority or police (referrals should also be notified to ESFA)
- subcontractors that deliver courses meet the requirements of the Prevent duty
- there are clear and easily accessible policies for:
 - the management of events and the hosting of speakers
 - whistleblowing
 - complaints
- Prevent is embedded in your corporation's other policies, such as the use of IT equipment
- leaders and teachers exemplify British values in their management and teaching and through general behaviours in your college, including through opportunities in the FE curriculum
- governors and college staff actively engage with other partners, including the police and the department's [regional Prevent co-ordinators](https://www.gov.uk/guidance/regional-prevent-co-ordinators)
(<https://www.gov.uk/guidance/regional-prevent-co-ordinators>)

Find out more about the [Prevent duty](#).

Safeguarding

Your board must:

- make arrangements to safeguard and promote the welfare of students under 18 and [high needs students](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide-2/explanation-of-terms#high-needs-students) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide-2/explanation-of-terms#high-needs-students>) aged 18 to 25
- have regard to all the requirements of the statutory safeguarding guidance '[Keeping children safe in education](#)

(<https://www.gov.uk/government/publications/keeping-children-safe-in-education--2>), including the immediate steps to be taken when there are safeguarding concerns

- ensure that pre-appointment checks are carried out for new staff
- ensure that it meets [national minimum standards](https://www.gov.uk/government/publications/further-education-residential-accommodation-national-minimum-standards) (<https://www.gov.uk/government/publications/further-education-residential-accommodation-national-minimum-standards>) where residential accommodation is provided for under 18s

Your board should ensure in particular that:

- a governor has leadership responsibility for safeguarding arrangements
- there is a designated safeguarding lead in the senior executive team, who takes day-to-day responsibility for safeguarding
- there are systems to support safeguarding, including an effective policy to protect children and high needs students aged 18 to 25 and procedures for raising concerns about staff

In addition, they should make sure that staff:

- read Part 1 of '[Keeping children safe in education](https://www.gov.uk/government/publications/keeping-children-safe-in-education--2)' (<https://www.gov.uk/government/publications/keeping-children-safe-in-education--2>)
- receive appropriate safeguarding and child protection training at induction plus regular updates
- know what to do if they have concerns about a child
- understand that concerns about sharing information should not stand in the way of keeping children safe

Find out more about [safeguarding](#).

Serious incidents

A serious incident is an adverse event, whether actual or alleged, which results in or risks:

- significant loss to your corporation's money or assets
- damage to your corporation's property
- harm to your corporation's work, students or reputation

Serious incidents include fraud, cyber crime, extremism allegations and safeguarding issues.

Your board must ensure that serious incidents are reported promptly to:

- the appropriate authority, such as the police or, for safeguarding, the local authority
- external and internal auditors, your audit committee chair and/or ESFA, in line with your corporation's accountability agreement and the [Post-16 audit code of practice](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (<https://www.gov.uk/government/publications/post-16-audit-code-of-practice>)

If your college is registered with OfS, your board must meet OfS requirements regarding [reportable events](https://www.officeforstudents.org.uk/publications/regulatory-advice-16-reportable-events/) (<https://www.officeforstudents.org.uk/publications/regulatory-advice-16-reportable-events/>).

Special educational needs and disability

Young people have special educational needs (SEN) if they have a learning difficulty or disability which calls for special educational provision to be made for them.

Colleges play a valuable role in preparing students with special educational needs and disabilities (SEND) effectively for adulthood and employment. Your board is responsible for setting the values, culture and tone of your organisation. This includes creating an environment in which all students can thrive and play a full part in the life of the college.

Under the [Children and Families Act 2014](https://www.legislation.gov.uk/ukpga/2014/6/contents/enacted) (<https://www.legislation.gov.uk/ukpga/2014/6/contents/enacted>), your board must:

- use its best endeavours to ensure that the right support for students with SEN is put in place
- have regard to the [SEND Code of Practice](https://www.gov.uk/government/publications/send-code-of-practice-0-to-25) (<https://www.gov.uk/government/publications/send-code-of-practice-0-to-25>);
- co-operate with local authorities in the exercise of their functions under the above Act, including the preparation and maintenance of education, health and care (EHC) plans for students with complex needs
- admit a student whose EHC plan names your college

It is recommended that your board should ensure that:

- the student voice is central to decisions about SEN support, at both individual and college level
- staff have the expertise needed to support those with SEN and that your college has access to external specialist skills where required

- a named staff member, who contributes to the strategic and operational management of your college, oversees SEND provision
- it has a lead governor to help it discharge its responsibilities for students with SEND. Suitable training and practical support for the lead governor should be provided. While overall responsibility rests with the board, the lead governor should: champion the college's support for students with SEND, including good practice in student engagement; ensure that the board has the information it needs for assurance about the college's practice; and work closely with the named staff SEN lead

There is a close connection between the duties relating to SEN and equality duties relating to disability (see [Equality, diversity and inclusion](#)). For example, equality objectives and information should typically include matters relating to the experience of disabled students and their education and employment outcomes. Many disabled students will also have SEN.

Find out more about [special educational needs and disability](#).

Whistleblowing

Your board must approve an effective whistleblowing procedure. This must be published on your college's website and regularly reviewed.

Your board should:

- ensure that staff and governors are aware of the whistleblowing process and understand what areas of malpractice or wrongdoing are covered by the corporation's whistleblowing policy
- ensure that staff know that they will be appropriately protected if they raise concerns
- ensure that all staff and governors know how to report a concern, including the option of disclosure to the Secretary of State for Education via ESFA, and understand how their concerns will be managed
- designate at least one governor and one member of staff as a point of contact for those who wish to report concerns and ensure that this is widely communicated within the organisation
- promptly respond to all concerns raised by whistleblowers which are referred to the board for consideration

Non-disclosure agreements and confidentiality clauses cannot be used to prevent an individual from making a disclosure in the public interest under the [Public Interest Disclosure Act 1998](#) (<https://www.legislation.gov.uk/ukpga/1998/23/contents>).

Find out more about [whistleblowing](#).

Financial and estate management

Financial management

Your board oversees your corporation's financial performance and must ensure financial sustainability and solvency.

Your board should:

- ensure that financial strategies are affordable and consistent with its strategic plans and objectives
- manage strategic risk
- monitor financial performance using key performance indicators
- ensure it receives reliable and timely financial information, including cash flow forecasting, so it can recognise any difficulties at an early stage
- ensure there are robust financial controls, especially in high-risk areas such as payroll systems
- ensure delegated authority to staff is clearly documented
- ensure financial policies and procedures are regularly reviewed
- take immediate action and professional advice when it thinks [insolvency](https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance) (<https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance>) is a possibility
- act on the recommendations of auditors to strengthen financial management and controls

Reserves

Reserves are unrestricted funds available for your corporation's purpose. They exclude equity in land and buildings, and funds designated for future spending.

Your board should ensure there is a reserves policy in place that:

- justifies and explains keeping or not keeping reserves
- identifies and plans for the continuation of essential education services for students
- reflects the risk of an unplanned closure in relation to spending commitments and potential liabilities

A reserves policy provides an indication of future funding needs and overall resilience.

Your board should review the effectiveness of its reserves policy in the light of any changes in funding and the economy, together with emerging operational risks, to ensure sustainable delivery of your corporation's charitable purpose.

Find out more about [reserves](#).

Investments and trading

Investments

Your corporation can invest to generate additional income, subject to any restrictions in its instrument and articles.

Investing must be in the best interests of your corporation. It must also be necessary or expedient for your corporation's provision of education.

Your board must:

- exercise care and skill when making investment decisions, following the [principles of good decision-making](#)

Your board should:

- take expert advice on investments
- agree an overall investment policy with objectives for your corporation, including the balance between risk and return
- assess the suitability of investments, taking into account any relevant factors, such as the support or harm of particular investments to your corporation's reputation or to the delivery of its purposes
- take into account the need to diversify investments
- review investments periodically and when circumstances have significantly changed
- be aware that some investments may have tax implications

Trading

As a charity, your corporation can lawfully engage in trading. Trading must be necessary or expedient for your corporation's provision of education.

Charities recognised by HMRC as charities for tax purposes can claim exemption from tax on most forms of income and capital gains, provided the trade is charitable and the income is applied for charitable purposes.

However, the tax implications of trading are different for direct taxes (income tax and corporation tax) and VAT. Charities need to understand [direct tax and VAT rules \(https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles\)](https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles) when organising their trading activities.

There are 3 types of trading:

1. **Primary purpose:** trading to directly further your corporation's primary charitable purpose. This includes the provision of educational services by a college corporation in return for course fees.
2. **Ancillary:** trading that contributes indirectly to your corporation's primary purpose but is treated as primary purpose trading. The exemption from tax is extended to cover this type of trading. This includes the sale of course books to students and the provision of a fee-paying crèche for students' children.
3. **Non-primary purpose:** trading that does not directly further your corporation's charitable purpose and is carried out to raise funds. If your corporation expects to be regularly trading at or around the HMRC small trading exemption limits, it may be better to use a trading subsidiary. If the trading poses a significant risk to your corporation's assets, it must be undertaken by a trading subsidiary.

Your corporation must follow certain rules when using charitable funds for trading:

Primary purpose and ancillary trading

Your corporation's funds must only be used for the purpose for which they were given or generated.

Example: ESFA funding for a college in England cannot be used for the delivery of further education overseas.

Find out more about [trading which is ancillary to the carrying out of a primary purpose \(https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles#trading-which-is-ancillary-to-the-carrying-out-of-a-primary-purpose\)](https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles#trading-which-is-ancillary-to-the-carrying-out-of-a-primary-purpose).

Non-primary purpose trading

When considering investing in a trading subsidiary, your board must:

- take professional advice
- ensure the investment is consistent with your corporation's investment policy
- compare other forms of investment and make an objective assessment as to whether this investment would be in your corporation's interests

- consider if independent funding could be provided instead of funding by your corporation
- be satisfied with the viability of the subsidiary

Your corporation can provide capital for the start-up of a trading subsidiary. This is different from your corporation's money being used for primary purpose trading.

Funding a trading subsidiary is an investment of funds for profit, with returns being passed to your corporation, usually via gift aid.

Where a trading subsidiary needs more than a nominal subscription of share capital to operate effectively, your corporation may only provide this if the payment can be justified as a suitable investment.

These key principles apply to the relationship between your corporation and a trading subsidiary:

- your board must always put the interests of your corporation before those of the subsidiary
- your corporation's assets must not be used (other than as a suitable investment), or be put at risk, for the benefit of the subsidiary
- if the subsidiary uses your corporation's staff, land, buildings or equipment, this must be on a proper contractual basis at commercial rates
- the subsidiary can only use the corporation's land and buildings if that use is permitted by the terms under which your corporation occupies the land – for example, consent might be required from the freeholder if the college site is leased or occupied under a licence
- as a governor, you cannot be paid as a director or employee of the subsidiary, unless the Charity Commission approves this
- your board must monitor the performance of the subsidiary and your corporation's investment in it, to ensure that the investment remains a good use of funds

You and your fellow governors may be personally liable for any financial loss to your corporation if your board does not observe these principles.

Find out more about [investments and trading](#).

Regularity framework

Your board is accountable for how it spends public funds, and how it meets the terms and conditions on which funding was provided. This accountability extends to any subsidiaries or joint ventures of the corporation.

Under the ESFA's [Post-16 audit code of practice](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (<https://www.gov.uk/government/publications/post-16-audit-code-of-practice>), your board must commission a [regularity](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#regularity) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#regularity>) review, carried out by a reporting accountant (who will also be the corporation's external auditor) to provide [assurance](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#assurance) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#assurance>) on regularity and [propriety](https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#propriety) (<https://www.gov.uk/government/publications/further-education-corporations-and-sixth-form-college-corporations-governance-guide--2/explanation-of-terms#propriety>) regarding the use of public funds.

Your board must publish a statement of regularity, propriety and compliance in its annual accounts, identifying spending that has fallen short of accepted standards.

Your board must demonstrate how it has used funding by publishing audited financial statements on its college website and making its accounts available to anyone who reasonably requests a copy.

Find out more about [regularity](#).

Reporting requirements

Your board must comply with the following reporting requirements:

Ongoing

Meet ESFA reporting requirements, such as prompt notification of any significant deterioration in current or forecast finances and immediate notification of the risk of [insolvency](https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance) (<https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance>).

Every year

Submit to ESFA:

- a 3-year financial plan
- an audited annual report and accounts, including a regularity report, an [audit committee report](#) and a number of associated documents

Your board must ensure that the annual report and accounts follow:

- the ESFA [college accounts direction](https://www.gov.uk/government/publications/college-accounts-direction) (<https://www.gov.uk/government/publications/college-accounts-direction>)
- [Financial Reporting Standard 102](https://www.frc.org.uk/accountants/accounting-and-reporting-policy/uk-accounting-standards/standards-in-issue/frs-102-the-financial-reporting-standard-applicabl) (<https://www.frc.org.uk/accountants/accounting-and-reporting-policy/uk-accounting-standards/standards-in-issue/frs-102-the-financial-reporting-standard-applicabl>)
- [Statement of Recommended Practice for Further and Higher Education \(SORP\)](https://www.bufdg.ac.uk/resources/financial-reporting/sorp/introduction/) (<https://www.bufdg.ac.uk/resources/financial-reporting/sorp/introduction/>)

Find out more about [reporting requirements](#).

Estate management and environmental sustainability

Your board is responsible for overseeing the management of land and buildings, and for ensuring estates are used in the most efficient way for the benefit of students.

Your board must ensure that health and safety, fire safety, planning permission and other legal requirements are met.

It should ensure that:

- there is an estate strategy, reviewed at least every 3 years and linked to wider strategic planning
- there is a 3-year estate maintenance plan
- a climate change strategy is in place, which sets out environmentally-sustainable practices to maximise the effective use of your corporation's estates and to reduce your organisation's environmental impact to net zero
- your corporation monitors and reports on energy use and carbon dioxide emissions
- adequate insurance is in place
- decisions on estate matters are:
 - made in the interests of your corporation, including getting the best possible deal in property transactions
 - supported by information, such as written professional valuations
- it obtains appropriate professional advice (legal advice is important for the sale or mortgage of property, as statements regarding the corporation's charitable status must be included in related documents)
- sales or leases are advertised, unless a surveyor advises otherwise
- there is an updated record of property assets, including key dates such as for lease renewals or rent reviews
- delegated powers for the management of the estate by staff are clearly documented

Where your corporation does not own the freehold of its college's land, your board needs to abide by any restrictions or conditions contained in the relevant lease or other document relating to the occupation and use of the land.

For Catholic sixth-form college corporations, your corporation occupies land under a bare licence and must act in accordance with any parameters set by the diocese or religious order which owns the land.

Find out more about [estate management](#), including sustainable development.

Insolvency

An insolvency regime for FE and sixth-form college corporations provides for orderly winding up and other insolvency proceedings in the unlikely event of a college corporation becoming insolvent.

It also provides for a special administration regime, known as education administration, which protects education provision for existing students of the college as a whole.

Find out more about [insolvency \(https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance\)](https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance).

Changes to corporate structure

When undertaking structural changes, such as dissolutions and mergers, your board must ensure it meets all legal requirements. These include public consultation where a corporation is dissolved, and protection of the employment rights of staff. Boards of Catholic sixth-form college corporations will need the consent of the trustees of the diocese or religious order which owns the land a college occupies.

Your board should:

- ensure that the changes are consistent with the charitable purpose of the corporation
- carry out due diligence checks, such as financial, commercial and legal checks, to be satisfied that structural changes are in the best interests of the corporation and students
- ensure there is a strategic business case for change, together with a risk management assessment

- take appropriate professional advice at the outset, independently from other corporations involved
- have a communications strategy and engage at an early stage with stakeholders, such as students, staff, ESFA and banks
- consider the capacity of governors and executive staff to manage change in terms of time and skills, and whether external restructuring and project management expertise is needed
- agree the governance arrangements for the project with partner organisations, such as a dedicated merger committee with representatives from each partner's board, plus independent members
- ensure strong project management, with clear processes for monitoring and reporting to the board
- manage the expectations of change partners at the outset, such as board composition and senior appointments in a merged organisation
- manage conflicts of interest, such as a principal playing a leading role in project management when an outcome of change is that they may lose their job
- ensure that merger preparations give due consideration to the quality of teaching and learning, alongside financial, property and legal matters

Find out more about [changes to corporate structure](#).

Risk management and assurance

Risk management

Managing risk is essential to ensure your corporation's key objectives are met, and to protect its funds and assets.

Poor risk management, or poor handling of the aftermath of errors, can undermine your corporation's reputation for integrity, competence and educational effectiveness.

Types of risk include:

- **Compliance:** includes breaches of information law arising from poor management of personal data
- **Financial:** such as demographic changes in the number of students reducing income

- Academic: for example, standards of teaching and learning result in low achievement rates and adverse Ofsted inspection outcomes, leading to a fall in student recruitment

The board must ensure there is a clear risk management policy so that:

- significant risks are identified, assessed, monitored and managed
- the effectiveness of risk management, internal control systems, assurance arrangements and [business continuity planning](https://www.gov.uk/government/publications/expecting-the-unexpected) (<https://www.gov.uk/government/publications/expecting-the-unexpected>) is regularly reviewed
- a risk exposure profile can be created that reflects the board's views on what levels of risk are acceptable
- risk management is ongoing and part of operational procedures

Note that maintaining an up-to-date business continuity plan is a funding requirement.

Your board may delegate elements of the policy but must retain overall responsibility.

Important means of managing risk include:

- the effective use of risk registers covering all areas of risk relevant to the corporation, including reputational risk
- use of professional specialist advice to inform significant decisions
- buying insurance – note that some insurance is compulsory, such as employers' liability
- effective [financial controls and monitoring](#)
- effective [oversight of the principal](#) and other senior staff
- effective [mechanisms for monitoring the corporation's governance and performance](#)

Your board must publish a statement in its annual accounts about how it manages risk.

Find out more about [risk management](#).

Financial controls and monitoring

Financial controls

Your board must safeguard your corporation's assets.

Your board should ensure that:

- robust financial controls are in place
- the adequacy and effectiveness of financial controls are regularly reviewed
- it promotes a culture of control, which is embedded in the operations of the organisation
- due consideration is given to regularity, propriety and value for money

Internal financial controls are essential checks and procedures that help to:

- ensure compliance with legal and regulatory requirements for financial management
- reduce the risk of loss through, for example, theft, fraud or error
- identify problems early
- ensure financial reporting is robust and of sufficient quality

Your board may delegate the detailed work on implementing and monitoring financial controls but is responsible for deciding the controls needed.

Find out more about [financial controls](#).

Audit committee

Your board must set up an audit committee with clear terms of reference.

The audit committee provides independent assurance to the board that the corporation's financial and non-financial controls, and risk management procedures, are operating effectively.

The audit committee has a number of other responsibilities, including, but not limited to:

- advising your corporation on risks of [insolvency](#) (<https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance>), safeguarding of charitable assets, and the effective and efficient use of resources
- overseeing your corporation's policies and processes about fraud, irregularity, impropriety and whistleblowing
- advising on the appointment of auditors and monitoring the implementation of audit report recommendations

The committee may include people who are not part of the board, but the majority of the committee must be governors and must not include the chair of the corporation or principal. If staff governors are being considered, your board should reflect on whether they would have the necessary independence and objectivity.

The committee must have members with an appropriate mix of skills and experience. It's good practice to encourage people from underrepresented groups to put themselves forward, so that the committee can benefit from a range of perspectives.

Find out more about [audit committees](#).

Oversight of the principal and executive staff – challenge and assurance

Your board has overall control of the corporation. It may delegate authority to the principal and senior executive team, but not ultimate responsibility.

Your board must be able to ensure that delegated authority is properly exercised, through appropriate monitoring and reporting procedures.

To do this, your board should:

- set out in writing the extent and limits of any delegated authority, to include reporting-back protocols
- regularly review the terms of the delegation
- have access to high-quality and timely data and information
- have governors with the skills to interpret the full detail of educational performance, financial and other data
- constructively challenge, and seek assurance from, senior staff and use other methods where appropriate to independently verify information
- identify the questions that need to be asked of the executive to create robust accountability

Governors should be prepared to test that senior staff have:

- developed the business case for any proposal
- sufficient and robust data to support reported performance
- fully considered the risks involved in any proposed action and ways of mitigating them

Find out more about [challenge and assurance](#).

Mechanisms for monitoring governance and performance

Governance reviews

Governance standards are fundamental to the delivery of high-quality education and training. Regular governance reviews support continuous improvement by demonstrating where an organisation is working well, identifying areas for

development and helping a board to keep up with good practice. They also provide assurance to stakeholders.

In line with your accountability agreement, and the regular reviews expected by governance codes, your board must:

- have an [external governance review \(https://www.gov.uk/guidance/external-governance-reviews-guide-for-fe-college-corporations-and-designated-institutions\)](https://www.gov.uk/guidance/external-governance-reviews-guide-for-fe-college-corporations-and-designated-institutions) every 3 years, framed around the key principles of the governance code(s) your board uses
- report when an external review was conducted, and who by, in your annual report and financial statements
- conduct an annual governance self-assessment
- share the results of governance reviews, and progress in meeting recommendations, with DfE on request

It is recommended that your board should publish and maintain a summary of the outcomes of external governance reviews, and highlights from the associated action plan, on your organisation's website. This supports transparency and accountability, which are fundamental to public trust and confidence in charities and to the [Seven principles of public life \(https://www.gov.uk/government/publications/the-7-principles-of-public-life\)](https://www.gov.uk/government/publications/the-7-principles-of-public-life).

Governance codes of practice

A governance code of practice is a tool that helps your board to continuously improve and meet high standards.

As a condition of government funding, your corporation must comply with one of the following governance codes of practice:

- [Charity Governance Code \(https://www.charitygovernancecode.org/en/pdf\)](https://www.charitygovernancecode.org/en/pdf)
- [Code of Good Governance for English Colleges \(https://www.aoc.co.uk/funding-and-corporate-services/governance/governance-resources/code-good-governance-english-colleges\)](https://www.aoc.co.uk/funding-and-corporate-services/governance/governance-resources/code-good-governance-english-colleges)
- [UK Corporate Governance Code \(https://www.frc.org.uk/news/july-2018/a-uk-corporate-governance-code-that-is-fit-for-the\)](https://www.frc.org.uk/news/july-2018/a-uk-corporate-governance-code-that-is-fit-for-the) (so far as it applies to college corporations as charities)

It's good practice to aim to exceed governance code standards where appropriate.

Find out more about [monitoring governance](#).

The college

The following sections set out how the board ensures a well-managed college.

Role of the board

Your board is responsible for:

- the leadership and oversight of its college(s)
- the educational outcome of its college(s)

Your board should:

- ensure there is a clear vision that describes the educational outcomes your college is working towards and how your college will meet local skills needs
- ensure there is a strategic framework for achieving this
- foster a common culture, shared values and ethos across the organisation, with high expectations for the success of students
- hold the principal to account for the effective operation of your college, including educational, financial and staff performance
- support and advise the principal
- play a strategic role and only intervene in the day to day running of your college if there has been a serious failure on the part of the principal or senior executive team

The principal

The principal, or chief executive, is responsible to your board for all operational matters, including the internal organisation, management and control of your college, and for the delivery of quality educational services.

As part of your accountability agreement, ESFA expects the principal (the chief executive in the case of multi-college corporations) to be appointed as the accounting officer. The accounting officer is personally responsible to ESFA and parliament for assuring regularity, propriety and value for money in the management of public funds.

A principal may also be a member of the board. In this case, it's important that the principal distinguishes between the two roles and manages any conflicts of interest.

Your corporation's instrument and articles set out which responsibilities your board can delegate to the principal. There is additional advice on delegation in DfE's '[Statutory policies for schools](https://www.gov.uk/government/publications/statutory-policies-for-schools)' (<https://www.gov.uk/government/publications/statutory-policies-for-schools>), which covers sixth-form colleges and FE colleges with 16 to 19 provision.

The principal supports your board in particular by:

- establishing a business plan to meet your board's strategic plan and corporate vision, including EDI strategy
- ensuring that college performance is reported regularly to your board, and is supported by accurate, relevant and timely data
- ensuring that nothing is hidden from your board, and that you're alerted promptly to problems such as financial difficulties, whistleblowing and complaints, safeguarding and health and safety matters
- facilitating your board's engagement with college and student life, so that governance decisions are rooted in a sound understanding of college operations
- ensuring compliance with legal and regulatory requirements by embedding good governance across the college, including risk management
- cultivating a culture of high expectation, ensuring high education standards and a positive student experience for all
- leading robust financial and estate management in line with funding requirements and, for Catholic sixth-form colleges, in line with any parameters set by the diocese or religious order which owns the land the college occupies
- leading the planning, management and development of educational provision, mapped against resources, so that your college responds to students' needs in the context of local and national skills priorities - see [local skills](#)
- developing a high-performing senior executive team that understands your board's responsibilities for governance
- leading the HR strategy for the deployment, management and professional development of staff, including those from underrepresented groups
- leading stakeholder management and building relationships with local, regional and national bodies plus union representatives

Find out more about the [principal](#).

Principal and senior post-holder recruitment

Your board is responsible for the appointment of the principal, director of finance and other senior post-holders, in accordance with your corporation's instrument and articles. This includes ensuring compliance with employment and equality law when recruiting.

It is good practice to develop and regularly update succession plans before a vacancy arises, anticipating business requirements and taking into account the need to improve diversity.

Senior posts should always be advertised externally to ensure a fair, open and transparent process.

When preparing to recruit, your board should:

- seek advice and support from your governance professional, and other specialists such as HR experts
- reflect on the strategic opportunities and challenges facing your college and the skills, knowledge and experience required to address these, for example leadership, financial and estate management, education performance and stakeholder management
- consider benchmarking against recruitment practice in similar institutions, including diversity practice
- consider how best to reach a diverse range of candidates (including cognitive diversity) with the right skills mix, for example whether you would benefit from using a recruitment agency
- put in place arrangements to collect and monitor diversity data at each stage of recruitment – application, shortlist and appointment – to inform fairness and equity in practice
- in the case of Catholic sixth-form college corporations, refer to the requirements in the Bishops' '[Memorandum on appointment of teachers to Catholic schools \(http://www.catholiceducation.org.uk/employment-documents/bishops-memorandum/item/1000049-memorandum-on-appointment-of-teachers-to-catholic-schools\)](http://www.catholiceducation.org.uk/employment-documents/bishops-memorandum/item/1000049-memorandum-on-appointment-of-teachers-to-catholic-schools)'
- ensure the language and requirements in the job description encourage applications from all individuals, except where discrimination is allowed under equality law as a genuine occupational requirement

Example: an occupational requirement would be where a principal's religion is central to their job.

When recruiting, it is recommended that your board should:

- ensure that processes are accessible to disabled candidates
- create a diverse interview panel, comprising a majority of governors, to reduce the risk of unconscious bias and ensure a well-rounded view of a

candidate

- ensure that panellists are appropriately trained
- consider the participation of an external, independent person on the interview panel, to bring objectivity and a different perspective. It is for the board to judge the suitability and independence of that person. Qualities you might look for include senior strategic experience, diversity awareness and interviewing skills. Where it might be helpful, the FE Commissioner's team may be able to provide an independent panellist – you can email them at fe.commissioner@education.gov.uk
- consider assessment methods, in addition to the interview, that will test candidates' qualities in a fair and appropriate way, such as a presentation, group exercise or scenario-based planning task
- consider involving staff or students in aspects of the process

When appointing:

- remember that it is for the board to decide on senior appointments, informed by the recommendations of the panel once the selection process has concluded
- your board should ensure that thorough and robust due diligence checks of the preferred candidate are carried out

In addition to observing requirements regarding [safeguarding](#), the [disqualification of senior managers \(https://www.gov.uk/guidance/automatic-disqualification-rules-for-charity-trustees-and-charity-senior-positions\)](https://www.gov.uk/guidance/automatic-disqualification-rules-for-charity-trustees-and-charity-senior-positions) under charity law and ['fit and proper persons'](#) under tax law, your board should consider the full range of available evidence of a candidate's track record and verify the information presented by the individual. Relevant checks might include, but are not necessarily limited to:

- Ofsted and FE Commissioner reports on other institutions that a candidate may have led
- financial management records for other organisations where a candidate has held a leadership role
- records held by professional membership organisations, such as [Find A Chartered Accountant \(https://find.icaew.com/\)](#), [Find an ACCA member \(https://www.accaglobal.com/uk/en/member/find-an-accountant/directory-of-member.html\)](https://www.accaglobal.com/uk/en/member/find-an-accountant/directory-of-member.html), [CIMA - Find a CIMA Accountant \(https://www.cimaglobal.com/About-us/Find-a-CIMA-Accountant/\)](https://www.cimaglobal.com/About-us/Find-a-CIMA-Accountant/)
- [Companies House records \(https://companieshouse.blog.gov.uk/2021/09/03/using-the-find-and-update-company-information-service/\)](https://companieshouse.blog.gov.uk/2021/09/03/using-the-find-and-update-company-information-service/), company websites and accounts
- if your college is registered with OfS, you should also refer to the 'fit and proper persons' guidance in OfS' [regulatory framework \(https://www.officeforstudents.org.uk/publications/securing-student-success-](https://www.officeforstudents.org.uk/publications/securing-student-success-)

[regulatory-framework-for-higher-education-in-england/](#) (Annex B: Public interest governance principles)

When the new employee joins:

- a well-planned induction is a vital foundation for the individual's performance and success
- a personal development plan should be established at an early stage to support the individual's professional growth, engagement and retention

Find out more about [principal and senior post-holder recruitment](#) and development.

Executive pay

There is a high risk to the reputation of your college and your corporation where executive pay appears to be high and unjustified.

Your board must demonstrate how the level of remuneration of the principal and other senior staff is:

- in the interests of your college's students
- a good use of resources
- proportionate and reasonable
- good value for money

Your board should also have regard to the principles set out in HM Treasury's [senior pay guidance](https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward) (<https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>).

Your board should keep remuneration under review and ensure that it can be justified in the light of agreed performance outcomes.

From 1 May 2023, you must have approval from DfE for:

- remuneration for new appointments (including new roles and new appointments to existing roles) at or above £150,000 and for performance-related pay above £17,500
- pay awards over 9% for existing staff where their remuneration is already at or above £150,000 or where performance-related pay exceeds £17,500 (subject to paragraphs 2.6 to 2.11 of the HMT [Guidance for approval of senior pay](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036118/Guidance_for_approval_of_senior_pay_final_2021_Version.pdf) (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036118/Guidance_for_approval_of_senior_pay_final_2021_Version.pdf))

- pay awards over 9% for existing staff which increase remuneration to or above £150,000 or take performance-related pay above £17,500 (subject to paragraphs 2.6 to 2.11 of the above HMT guidance)

Guidance on [applying for approval \(https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/senior-pay-controls-for-colleges#what-to-consider-before-making-an-application-for-senior-pay-approval\)](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/senior-pay-controls-for-colleges#what-to-consider-before-making-an-application-for-senior-pay-approval) is available.

Once your board has agreed the remuneration, you will need to justify your proposals in the HMT application form. The form should be signed by the head of your remuneration committee or the equivalent committee within your governing body.

The remuneration package for senior staff must be disclosed and justified in college accounts. A comparison between the principal's remuneration and that of other staff must also be disclosed.

Find out more about [executive pay](#).

Performance appraisal

Your board is responsible for the formal appraisal of the principal.

This task is normally delegated to the chair, who should lead the process in conjunction with other governors, as necessary.

The appraisal should take into account feedback, including from governors and staff.

The outcome of every annual appraisal should be reported to your board, via the remuneration committee if one is in place.

The assessment should be underpinned by:

- a common understanding of the respective responsibilities of the chair and the principal
- clarity as to how the principal and the board interact formally and informally
- clear and measurable objectives for the principal (linked to strategic objectives), which are regularly reviewed
- a shared commitment to the principal's professional development
- two-way feedback throughout the year

Your board is also responsible for the appraisal of senior post-holders, though it's likely that the principal will play a significant role in this.

Find out more about [principal and senior post-holder appraisal](#).

Education quality

Your board is accountable for how it uses public money and for its college's performance.

Your board should:

- oversee the shaping of the curriculum to meet students' needs in the context of local and national skills priorities- see [local skills](#)
- have a clear understanding of quality strengths and weaknesses, based on a range of sources of evidence, and ensure that a plan is in place to deliver improvements
- set the senior management team ambitious but achievable quality performance targets
- regularly review performance against these targets and hold the principal and senior management team to account where there is evidence of underperformance

To support its work on education quality, your board may consider setting up a quality or standards committee.

Accountability for education quality is through inspection by Ofsted, and through a framework of national measures of educational performance set by DfE.

Comparing your college's performance against other providers' national measures of education quality enables your board and regulators to assess the quality of teaching and learning.

For Catholic sixth-form colleges, the diocesan bishop has the right of supervision, visitation and inspection. This complements Ofsted inspections.

You can find out more in the Catholic Education Service's guidance '[Governance of a Catholic school \(http://www.catholiceducation.org.uk/guidance-for-schools/governance\)](http://www.catholiceducation.org.uk/guidance-for-schools/governance)', which also covers colleges.

Your board may be challenged or held to account where college performance is below certain thresholds. Your college may also be subject to external [intervention](#) or withdrawal of funding.

Find out more about [education quality](#).

Students' union

Under the [Education Act 1994](#)

(<https://www.legislation.gov.uk/ukpga/1994/30/contents>) (part II), your board must take reasonable steps to ensure that your college's students' union operates in a fair and democratic manner and is accountable for its finances.

Student engagement

Students are your corporation's primary beneficiaries. It's important that your board listens to students, understands the student experience and takes their views into account in decision-making. Your board should:

- understand the student profile, such as protected characteristics, prior attainment and disadvantaged backgrounds
- understand student expectations and needs relating to progression to training, apprenticeships, employment, more advanced qualifications or higher education
- monitor and review:
 - the student experience and student satisfaction
 - education progress and outcomes, including destinations
- ensure that action is taken to address any gaps for particular groups, such as students with disabilities or from ethnic minority backgrounds
- ensure there are opportunities for board dialogue with students beyond board meetings and for student engagement with college life

Find out more about [student engagement](#) (<https://www.learnvoiceframework.org.uk/>).

Regulation, support and intervention

The following sections set out how FE and sixth-form college corporations are regulated, and sources of support.

Charity Commission

The Charity Commission is the regulator of charities in England and Wales. Note, however, that the Secretary of State for Education is the [principal regulator](#) of FE corporations and sixth-form college corporations.

Corporations are exempt from registration with the Charity Commission, but the Commission plays a regulatory role in:

- giving authority for certain activities, such as payments to governors
- using investigation or other regulatory powers which the Secretary of State does not have, at the request of the Secretary of State
- providing advice and guidance on charity law

The relationship between DfE and the Charity Commission is set out in a [memorandum of understanding](#) (<https://www.gov.uk/government/publications/memorandum-of-understanding-charity-commission-and-the-department-for-education>).

Find out more about the [Charity Commission](#) (<https://www.gov.uk/government/organisations/charity-commission>).

Department for Education

The Department for Education (DfE) is responsible for education in England. This includes further and higher education, apprenticeships and wider skills.

DfE regulates, supports and challenges the FE sector to ensure high standards of governance, education and training.

Specific areas of DfE support include:

- [Education & Training Foundation](#) (<https://www.et-foundation.co.uk/>): funding for the development of governors, governance professionals, college leaders and teachers
- [Strategic Development Fund](#) (<https://www.gov.uk/guidance/help-and-support-for-colleges#support-available-from-the-department-for-education>): grant programme that supports a change in facilities and provision to meet skills priorities across a local area and improve the local skills system

As part of its [college oversight policy](#) (<https://www.gov.uk/government/publications/college-oversight-support-and-intervention>), DfE:

- holds annual strategic conversations with every college, providing support and challenge to leadership teams, and to college corporation boards, on their ambitions and plans

- works with the [FE Commissioner](#) to support and intervene, in order to improve financial resilience and quality in colleges - the offer of [active support](https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention#active-support) (<https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention#active-support>) to all colleges spans the existing range of support tools and products as well as the development of new ones

DfE may intervene where there is significant concern about a college. This may include escalating cases for assessment by the FE Commissioner.

Colleges should not remain in intervention for longer than is necessary and they will be provided with [post-intervention monitoring and support](https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention#post-intervention-monitoring-and-support) (<https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention#post-intervention-monitoring-and-support>) to secure sustained improvement.

DfE will also take regulatory action if Ofsted rates a college's [apprenticeship training](https://www.gov.uk/guidance/register-of-apprenticeship-training-providers) (<https://www.gov.uk/guidance/register-of-apprenticeship-training-providers>) as 'inadequate'.

If DfE or ESFA has serious concerns about a college, consideration may be given to using statutory intervention to secure improvement, where the relevant statutory triggers are met. This includes, for example, where there is mismanagement, significant underperformance or a failure to adequately meet local needs.

The Secretary of State for Education's intervention powers are set out in sections 56A and 56E of the [Further and Higher Education Act 1992](https://www.legislation.gov.uk/ukpga/1992/13/contents) (<https://www.legislation.gov.uk/ukpga/1992/13/contents>).

Where statutory intervention is needed, the Secretary of State can do a range of things, including:

- remove or appoint governors
- require a governing body to resolve to dissolve a corporation
- direct the transfer of property, rights, and liabilities - for example a merger

Find out more about [DfE](https://www.legislation.gov.uk/ukpga/1992/13/contents) (<https://www.legislation.gov.uk/ukpga/1992/13/contents>) and [college support](https://www.gov.uk/guidance/help-and-support-for-colleges) (<https://www.gov.uk/guidance/help-and-support-for-colleges>) and intervention.

Education & Skills Funding Agency (ESFA)

ESFA is an executive agency sponsored by DfE. Its key role is funding education and training for children, young people, and adults.

ESFA is responsible for:

- allocation and payment of funding
- administration of accountability agreements
- assurance, including financial reporting and audit requirements, monitoring the financial health of education institutions and overseeing the appropriate use of funds

Find out more about [ESFA \(https://www.gov.uk/government/organisations/education-and-skills-funding-agency\)](https://www.gov.uk/government/organisations/education-and-skills-funding-agency).

Education & Training Foundation

The Education and Training Foundation (ETF) is the expert body for professional development and standards in FE and training in England. Its role is to commission and deliver professional learning and development for governors, governance professionals, college leaders and teachers to meet sector needs. This includes leadership programmes for chairs and governance professionals, plus a governance development programme for governors.

Find out more about the [Education and Training Foundation \(https://www.et-foundation.co.uk/\)](https://www.et-foundation.co.uk/).

FE Commissioner

The FE Commissioner is an independent adviser to ministers.

The Commissioner works closely with colleagues in DfE and ESFA to support the national network of statutory further education providers and to help deliver high quality outcomes for learners. This includes ensuring colleges can access support and advice, as set out in [College oversight: support and intervention \(https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention\)](https://www.gov.uk/government/publications/college-oversight-support-and-intervention/college-oversight-support-and-intervention), and identifying and sharing good practice in the sector.

The Commissioner's role is closely aligned with other agencies that also have a role in supporting improvement, including: the Education and Training Foundation, [Institute for Apprenticeships and Technical Education \(https://www.instituteforapprenticeships.org/\)](https://www.instituteforapprenticeships.org/), and Ofsted.

There is a range of help and support tools available for all colleges, including:

- Active support: the Commissioner leads a team of deputies and advisers. They are all available to support continuous improvement at all stages. Corporations can request a discussion about the active support offered
- [National Leaders of Governance](https://www.gov.uk/government/publications/national-leaders-of-governance-for-further-education-national-leaders/national-leaders-of-governance-for-further-education-current-national-leaders) (<https://www.gov.uk/government/publications/national-leaders-of-governance-for-further-education-national-leaders/national-leaders-of-governance-for-further-education-current-national-leaders>) for further education: experienced college governors and governance professionals who provide peer-led mentoring and support to governing boards
- [National Leaders of Further Education](https://www.gov.uk/government/publications/national-leaders-of-further-education-programme-current-national-leaders) (<https://www.gov.uk/government/publications/national-leaders-of-further-education-programme-current-national-leaders>): serving college senior leaders who provide peer-led mentoring and support to colleges

If there are any financial or quality issues, the Commissioner works with college corporations to help address these as early as possible. If necessary, the Commissioner will intervene to address significant challenges. This will be focused on making recommendations for improvement to corporation boards.

The Commissioner does not have formal powers to direct a corporation. Responsibility for effectively carrying out those recommendations and for holding leadership teams to account remains with the corporation board.

Where a corporation is already taking appropriate quality improvement action, the Commissioner can verify the approach and recommend measures to accelerate improvements. If necessary, the Commissioner can recommend:

- changes to board or executive leadership
- improvement plans to be undertaken by the corporation
- use of the Secretary of State's intervention powers

Find out more about the [FE Commissioner](https://www.gov.uk/government/organisations/further-education-commissioner) (<https://www.gov.uk/government/organisations/further-education-commissioner>) and the [help and support](https://www.gov.uk/guidance/help-and-support-for-colleges) (<https://www.gov.uk/guidance/help-and-support-for-colleges>) available for colleges.

Office for Students

The Office for Students is the independent regulator for higher education in England.

English colleges will need to [register with OfS](https://www.officeforstudents.org.uk/advice-and-guidance/regulation/how-to-register/) (<https://www.officeforstudents.org.uk/advice-and-guidance/regulation/how-to-register/>) if they want:

- to receive OfS grant funding for their higher education provision
- their students to receive tuition fee or maintenance loans or both from the [Student Loans Company \(https://www.slco.co.uk/\)](https://www.slco.co.uk/)

To register with OfS, colleges need to demonstrate compliance with the initial conditions of registration set out in the [OfS regulatory framework \(https://emea01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.officeforstudents.org.uk%2Fadvice-and-guidance%2Fregulation%2Fthe-regulatory-framework-for-higher-education-in-england%2F&data=01%7C01%7Cjacqui.brasted%40officeforstudents.org.uk%7C5f97d0da1c9a4da4856008d60cf68d02%7Ca9104e9942c84159b32ffab0cbee45a7%7C0&sdata=rwDz4iz9etCzm9K5eH16nJaB67HOO3vOv%2FpVleoRjak%3D&reserved=0\)](https://emea01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.officeforstudents.org.uk%2Fadvice-and-guidance%2Fregulation%2Fthe-regulatory-framework-for-higher-education-in-england%2F&data=01%7C01%7Cjacqui.brasted%40officeforstudents.org.uk%7C5f97d0da1c9a4da4856008d60cf68d02%7Ca9104e9942c84159b32ffab0cbee45a7%7C0&sdata=rwDz4iz9etCzm9K5eH16nJaB67HOO3vOv%2FpVleoRjak%3D&reserved=0).

Find out more about [OfS \(https://www.officeforstudents.org.uk/\)](https://www.officeforstudents.org.uk/).

Ofsted

The Office for Standards in Education, Children's Services and Skills (Ofsted) is a non-ministerial government department responsible for inspecting and regulating services that:

- provide education and skills training
- care for children and young people

Ofsted inspects and reports on the quality of education and training in FE and sixth-form colleges, including how well safeguarding and Prevent obligations are met. The principal areas assessed are:

- quality of education and training
- behaviour and attitudes of learners
- personal development of learners
- leadership and management (including the role of governors)

Ofsted uses a four-point grading scale ranging from 'outstanding' to 'inadequate'.

Inspections, which include interviews with governors, are carried out at varying intervals depending on a college's past performance (newly merged colleges are inspected within 3 years of the merger, subject to extension to 48 months where COVID-19 has impacted). Inspection reports are published.

Find out more about [Ofsted](#).

Principal regulator

Under the charity legal framework, the Secretary of State for Education is the principal regulator of FE corporations and sixth-form college corporations and has a statutory duty to promote compliance with charity law.

The Secretary of State aims to:

- maintain and increase public trust and confidence in corporations
- promote awareness and understanding of how colleges benefit the public
- promote the effective use of corporations' resources
- enhance the accountability of corporations to government, donors, beneficiaries and the general public

The Secretary of State may ask the Charity Commission to use its regulatory powers where there are serious concerns about a corporation.

Further reading and resources

Links to more information and guidance.

Responsibilities of FE and sixth-form corporation boards and governors:

Governor conduct

- [Specimen code of conduct for charity trustees \(https://www.cgi.org.uk/knowledge/resources/code-of-conduct-charity-trustees-england-wales\)](https://www.cgi.org.uk/knowledge/resources/code-of-conduct-charity-trustees-england-wales) (Chartered Governance Institute UK & Ireland)

Recruiting and developing governors:

Governor eligibility

- [Finding new trustees \(https://www.gov.uk/government/publications/finding-new-trustees-cc30/finding-new-trustees\)](https://www.gov.uk/government/publications/finding-new-trustees-cc30/finding-new-trustees) (Charity Commission)

- [Keeping children safe in education](https://www.gov.uk/government/publications/keeping-children-safe-in-education--2) (<https://www.gov.uk/government/publications/keeping-children-safe-in-education--2>) (DfE)

Recruiting governors

- [From Here to Diversity – A Practical Guide to recruiting Black and Asian charity trustees](https://atrd.group/atrd-guide/) (<https://atrd.group/atrd-guide/>) (Action for Trustee Racial Diversity & Getting on Board)
- [Board Recruitment Framework](https://www.advance-he.ac.uk/knowledge-hub/board-recruitment-framework) (<https://www.advance-he.ac.uk/knowledge-hub/board-recruitment-framework>) (Advance HE)
- [Finding new trustees](https://www.gov.uk/government/publications/finding-new-trustees-cc30/finding-new-trustees) (<https://www.gov.uk/government/publications/finding-new-trustees-cc30/finding-new-trustees>) (Charity Commission)
- [Charity trustee recruitment](https://www.icsa.org.uk/knowledge/resources/charity-trustee-recruitment) (<https://www.icsa.org.uk/knowledge/resources/charity-trustee-recruitment>) (The Chartered Governance Institute UK & Ireland)
- [FE governor recruitment service](https://www.gov.uk/guidance/recruit-an-fe-governor) (<https://www.gov.uk/guidance/recruit-an-fe-governor>) (DfE)
- [How to recruit trustees for your charity](https://www.gettingonboard.org/how-to-recruit-trustees-for-your-charity) (<https://www.gettingonboard.org/how-to-recruit-trustees-for-your-charity>) (Getting on Board)
- [The Trustee Recruitment Cycle](https://reachvolunteering.org.uk/trustee-recruitment-cycle) (<https://reachvolunteering.org.uk/trustee-recruitment-cycle>) (Reach Volunteering)

Governor development and support

- [Association of Colleges](https://www.aoc.co.uk/) (<https://www.aoc.co.uk/>) (membership body representing colleges)
- [Charity Commission publications](https://www.gov.uk/government/collections/list-of-charity-commission-cc-guidance-publications) (<https://www.gov.uk/government/collections/list-of-charity-commission-cc-guidance-publications>) (some publications only relate to registered charities, such as accounting and reporting)
- [The Chartered Governance Institute UK & Ireland guidance](https://www.cgi.org.uk/knowledge/resources) (<https://www.cgi.org.uk/knowledge/resources>)
- [Education & Training Foundation](http://www.et-foundation.co.uk/) (<http://www.et-foundation.co.uk/>) (development programmes for governors and chairs)
- [NCVO Knowhow guidance](https://knowhownonprofit.org/governance) (<https://knowhownonprofit.org/governance>) (National Council for Voluntary Organisations)
- [Sixth Form Colleges Association](https://www.sixthformcolleges.org/) (<https://www.sixthformcolleges.org/>) (membership body representing sixth-form colleges – publishes ‘An essential guide to governance in sixth form colleges’)
- [Unloc](https://unloc.online/programmes/student-governor-hub/overview) (<https://unloc.online/programmes/student-governor-hub/overview>) – training and resources for student governors

Positive board behaviours

- [Building Better Governance guides \(https://www.bayes.city.ac.uk/faculties-and-research/centres/cce/reports-guides-and-research/building-better-governance\)](https://www.bayes.city.ac.uk/faculties-and-research/centres/cce/reports-guides-and-research/building-better-governance) (Bayes Business School)
- [Improving charity boardroom behaviours \(https://www.icsa.org.uk/knowledge/resources/improving-charity-boardroom-behaviours\)](https://www.icsa.org.uk/knowledge/resources/improving-charity-boardroom-behaviours) (The Chartered Governance Institute UK & Ireland)
- [Guide to virtual meetings \(https://www.cgi.org.uk/about-us/press-office/news-releases/guidance-about-virtual-board-meetings-issued-by-the-chartered-governance-institute\)](https://www.cgi.org.uk/about-us/press-office/news-releases/guidance-about-virtual-board-meetings-issued-by-the-chartered-governance-institute) (The Chartered Governance Institute UK and Ireland)

Governor appraisal

- [Appraisal and assessment of individual governors \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Appraisal and assessment of the Chair \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Board and trustee performance review \(https://www.bayes.city.ac.uk/faculties-and-research/centres/cce/reports-guides-and-research/building-better-governance\)](https://www.bayes.city.ac.uk/faculties-and-research/centres/cce/reports-guides-and-research/building-better-governance) (Bayes Business School)
- [Individual Trustee Performance Reviews \(https://knowhow.ncvo.org.uk/tools-resources/board-basics/tools-and-guidance/individual-trustee-performance-reviews\)](https://knowhow.ncvo.org.uk/tools-resources/board-basics/tools-and-guidance/individual-trustee-performance-reviews) (NCVO Knowhow)

Specific roles in the corporation:

The chair

- [A chair's compass: a guide for chairs of charities and non-profit organisations \(https://www.associationofchairs.org.uk/resources/chairs-compass/\)](https://www.associationofchairs.org.uk/resources/chairs-compass/) (Association of Chairs)

Governance professional

- [Education & Training Foundation \(https://www.et-foundation.co.uk/professional-development/leadership-and-governance-programmes/mentoring-and-development-programme-for-governance-professionals/\)](https://www.et-foundation.co.uk/professional-development/leadership-and-governance-programmes/mentoring-and-development-programme-for-governance-professionals/) (development programme & qualification for FE governance professionals)
- [The Chartered Governance Institute UK & Ireland \(https://www.cgi.org.uk/professional-development/study\)](https://www.cgi.org.uk/professional-development/study) (governance qualifications)

Committees

- [Board committees: a route to diversifying talent?](https://www.associationofchairs.org.uk/2022/05/30/committee-blog/) (<https://www.associationofchairs.org.uk/2022/05/30/committee-blog/>) (Association of Chairs)
- [Matters reserved for the board of trustees](https://www.cgi.org.uk/knowledge/resources/matters-revised-for-the-board-of-trustees) (<https://www.cgi.org.uk/knowledge/resources/matters-revised-for-the-board-of-trustees>) (The Chartered Governance Institute UK & Ireland)
- [Delegation to Committees and Staff](https://beta.ncvo.org.uk/help-and-guidance/governance/making-decisions-as-a-board/delegating-decisions-to-committees-and-employees/) (<https://beta.ncvo.org.uk/help-and-guidance/governance/making-decisions-as-a-board/delegating-decisions-to-committees-and-employees/>) (NCVO Knowhow)
- [Template for the terms of reference of a sub-committee](https://knowhow.ncvo.org.uk/tools-resources/board-basics/model-documents-and-templates/write-terms-of-reference-for-a-sub-committee) (<https://knowhow.ncvo.org.uk/tools-resources/board-basics/model-documents-and-templates/write-terms-of-reference-for-a-sub-committee>) (NCVO Knowhow)

Making decisions and managing conflicts of interest:

Making decisions

- [It's your decision: charity trustees and decision-making](https://www.gov.uk/government/publications/its-your-decision-charity-trustees-and-decision-making) (<https://www.gov.uk/government/publications/its-your-decision-charity-trustees-and-decision-making>) (Charity Commission – references to the Charity Commission's intervention powers apply only to registered charities)

Conflicts of interest

- [Conflicts of interest: a guide for charity trustees](https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29) (<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29>) (Charity Commission – references to the Charity Commission's intervention powers apply only to registered charities)
- [FRS 102 – The Financial Reporting Standard applicable to the UK & Republic of Ireland](https://www.frc.org.uk/accountants/accounting-and-reporting-policy/uk-accounting-standards/standards-in-issue/frs-102-the-financial-reporting-standard-applicabl) (<https://www.frc.org.uk/accountants/accounting-and-reporting-policy/uk-accounting-standards/standards-in-issue/frs-102-the-financial-reporting-standard-applicabl>) (Financial Reporting Council – regarding related party disclosures)
- [Statement of Recommended Practice: accounting for further and higher education](https://www.universitiesuk.ac.uk/what-we-do/policy-and-research/publications/statement-recommended-practice) (<https://www.universitiesuk.ac.uk/what-we-do/policy-and-research/publications/statement-recommended-practice>) (Universities UK – regarding related party disclosures)

Compliance:

Careers guidance

- [Careers Education: A Guide for college governors](https://resources.careersandenterprise.co.uk/resources/careers-education-guide-college-governors) (<https://resources.careersandenterprise.co.uk/resources/careers-education-guide-college-governors>) (The Careers & Enterprise Company)
- [Governors: Careers Awareness](https://www.careersandenterprise.co.uk/careers-leaders/careers-leader-training/online-learning-modules/#Governors) (<https://www.careersandenterprise.co.uk/careers-leaders/careers-leader-training/online-learning-modules/#Governors>) online learning module (The Careers & Enterprise Company)

Equality, Diversity and Inclusion

- [Improving equality, diversity & inclusion in your workplace](https://www.acas.org.uk/improving-equality-diversity-and-inclusion) (<https://www.acas.org.uk/improving-equality-diversity-and-inclusion>) (Acas)
- [Equality, Diversity & Inclusion](https://www.advance-he.ac.uk/guidance/equality-diversity-and-inclusion#governance) (<https://www.advance-he.ac.uk/guidance/equality-diversity-and-inclusion#governance>) guidance (Advance HE)
- [Equity, Diversity and Inclusion](https://www.et-foundation.co.uk/news/new-equity-diversity-and-inclusion-resource-launched-by-etf/) (<https://www.et-foundation.co.uk/news/new-equity-diversity-and-inclusion-resource-launched-by-etf/>) (ETF diversity toolkit)
- [Inclusion & Diversity in FE Governing Boards](https://www.aoc.co.uk/corporate-services/governance/resources) (<https://www.aoc.co.uk/corporate-services/governance/resources>) (Association of Colleges)
- [Using the Black FE Leadership Group 10 point plan](http://blackfeleadership.com/) (<http://blackfeleadership.com/>) (Black FE Leadership Group/Jisc)
- [Inclusion and diversity](https://www.cipd.co.uk/knowledge/fundamentals/relations/diversity#gref) (<https://www.cipd.co.uk/knowledge/fundamentals/relations/diversity#gref>) (Chartered Institute of Personnel and Development)
- [Equality and Human Rights Commission](https://www.equalityhumanrights.com/en/advice-and-guidance) (<https://www.equalityhumanrights.com/en/advice-and-guidance>)
- [Equity, Diversity and Inclusion](https://knowhow.ncvo.org.uk/organisation/equity-diversity-and-inclusion) (<https://knowhow.ncvo.org.uk/organisation/equity-diversity-and-inclusion>) (NCVO Knowhow)
- [Equality, Diversity and Inclusion at Board Level](https://beta.ncvo.org.uk/help-and-guidance/governance/improving-your-work-as-a-board/equality-diversity-and-inclusion-at-board-level/) (<https://beta.ncvo.org.uk/help-and-guidance/governance/improving-your-work-as-a-board/equality-diversity-and-inclusion-at-board-level/>) (NCVO Knowhow)
- [Race Equality Code](https://theracecode.org/) (<https://theracecode.org/>) (The RACE Code)

Fraud and cyber security

- [Protect your charity from fraud and cyber crime](https://www.gov.uk/guidance/protect-your-charity-from-fraud) (<https://www.gov.uk/guidance/protect-your-charity-from-fraud>) (Charity Commission)
- [Cyber crime and cyber security: a guide for education providers](https://www.gov.uk/government/publications/indicators-of-potential-fraud-learning-institutions/guide-on-cyber-crime-and-cyber-security-for-education-providers) (<https://www.gov.uk/government/publications/indicators-of-potential-fraud-learning-institutions/guide-on-cyber-crime-and-cyber-security-for-education-providers>) (DfE)

- [Post-16 audit code of practice \(https://www.gov.uk/government/publications/post-16-audit-code-of-practice\)](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (ESFA)
- [Board Toolkit \(https://www.ncsc.gov.uk/collection/board-toolkit\)](https://www.ncsc.gov.uk/collection/board-toolkit) – cyber security (National Cyber Security Centre)
- [Cyber defence tools \(https://www.ncsc.gov.uk/news/schools-offered-free-cyber-defence-tools-to-help-keep-out-attackers\)](https://www.ncsc.gov.uk/news/schools-offered-free-cyber-defence-tools-to-help-keep-out-attackers) (National Cyber Security Centre)
- [Information for large organisations \(https://www.ncsc.gov.uk/section/information-for-large-organisations\)](https://www.ncsc.gov.uk/section/information-for-large-organisations) (National Cyber Security Centre)
- [Action Fraud \(https://www.actionfraud.police.uk/\)](https://www.actionfraud.police.uk/) (Police)

Prevent

- [Protecting charities from abuse for extremist purposes \(https://www.gov.uk/government/publications/protecting-charities-from-abuse-for-extremist-purposes/chapter-5-protecting-charities-from-abuse-for-extremist-purposes\)](https://www.gov.uk/government/publications/protecting-charities-from-abuse-for-extremist-purposes/chapter-5-protecting-charities-from-abuse-for-extremist-purposes) (Charity Commission)
- [Prevent duty self-assessment tool: further education \(https://www.gov.uk/government/publications/prevent-duty-self-assessment-tool-further-education\)](https://www.gov.uk/government/publications/prevent-duty-self-assessment-tool-further-education) (DfE)
- [Prevent for Further Education and Training – Complying with the Prevent Duty \(https://preventforfeandtraining.org.uk/\)](https://preventforfeandtraining.org.uk/) (Education and Training Foundation)
- [Prevent duty guidance: for further education institutions in England and Wales \(https://www.gov.uk/government/publications/prevent-duty-guidance\)](https://www.gov.uk/government/publications/prevent-duty-guidance) (Home Office)

Safeguarding

- [Safeguarding and protecting people for charities and trustees \(https://www.gov.uk/guidance/safeguarding-duties-for-charity-trustees\)](https://www.gov.uk/guidance/safeguarding-duties-for-charity-trustees) (Charity Commission)
- [Keeping children safe in education \(https://www.gov.uk/government/publications/keeping-children-safe-in-education--2\)](https://www.gov.uk/government/publications/keeping-children-safe-in-education--2) (DfE)
- [Sexual violence and sexual harassment between children in schools and colleges \(https://www.gov.uk/government/publications/sexual-violence-and-sexual-harassment-between-children-in-schools-and-colleges\)](https://www.gov.uk/government/publications/sexual-violence-and-sexual-harassment-between-children-in-schools-and-colleges) (DfE)
- [Working together to safeguard children \(https://www.gov.uk/government/publications/working-together-to-safeguard-children--2\)](https://www.gov.uk/government/publications/working-together-to-safeguard-children--2) (DfE)
- [Disclosure and Barring Service \(https://www.gov.uk/government/organisations/disclosure-and-barring-service\)](https://www.gov.uk/government/organisations/disclosure-and-barring-service)
- [Children and the GDPR \(https://ico.org.uk/for-organisations/guide-to-the-general-data-protection-regulation-gdpr/children-and-the-gdpr/\)](https://ico.org.uk/for-organisations/guide-to-the-general-data-protection-regulation-gdpr/children-and-the-gdpr/) (Information

Commissioner's Office)

- [National Association for Managers of Student Services \(https://www.namss.ac.uk/\)](https://www.namss.ac.uk/) (NAMSS)
- [Steps to a Safer Organisation \(https://knowhow.ncvo.org.uk/safeguarding/steps-to-a-safer-organisation\)](https://knowhow.ncvo.org.uk/safeguarding/steps-to-a-safer-organisation) (NCVO Knowhow)

Special educational needs and disability

- [SEND and alternative provision improvement plan \(DfE\) \(https://www.gov.uk/government/publications/send-and-alternative-provision-improvement-plan\)](https://www.gov.uk/government/publications/send-and-alternative-provision-improvement-plan)
- [SEND Excellence Gateway \(https://send.excellencegateway.org.uk/\)](https://send.excellencegateway.org.uk/) (Education and Training Foundation)
- [Working in Partnership: a vision of the future of SEND in FE \(https://natspec.org.uk/working-in-partnership-a-vision-of-the-future-of-send-in-fe/\)](https://natspec.org.uk/working-in-partnership-a-vision-of-the-future-of-send-in-fe/) (Natspec and the Association of Colleges)
- [Universal SEND service programme \(https://www.wholeschoolsend.org.uk/page/universal-send-services\)](https://www.wholeschoolsend.org.uk/page/universal-send-services) (Whole School SEND – DfE-funded programme to bring together support for learners with SEND across schools and FE)

Whistleblowing

- [Whistleblowing: guidance for employers & code of practice \(https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers\)](https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers) (Dept for Business, Energy & Industrial Strategy)
- [Whistleblowing: list of prescribed people & bodies \(https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2\)](https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2) (Dept for Business, Energy & Industrial Strategy)
- [Whistleblowing \(https://knowhow.ncvo.org.uk/your-team/hr/discipline-grievance-and-whistleblowing/whistleblowing\)](https://knowhow.ncvo.org.uk/your-team/hr/discipline-grievance-and-whistleblowing/whistleblowing) (NCVO Knowhow)
- [Protect \(https://protect-advice.org.uk/business-support/\)](https://protect-advice.org.uk/business-support/) – advises organisations & individuals on whistleblowing

Financial and estate management:

Financial management

- [Managing a charity's finances \(https://www.gov.uk/government/publications/managing-financial-difficulties-insolvency-in-charities-cc12/managing-financial-difficulties-insolvency-in-charities\)](https://www.gov.uk/government/publications/managing-financial-difficulties-insolvency-in-charities-cc12/managing-financial-difficulties-insolvency-in-charities) (Charity Commission – some references are specific to registered charities) –

for insolvency, please see DfE's [insolvency guidance for FE bodies \(https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance\)](https://www.gov.uk/government/publications/further-education-bodies-insolvency-guidance)

Reserves

- [Charity reserves: building resilience \(https://www.gov.uk/government/publications/charities-and-reserves-cc19/charities-and-reserves\)](https://www.gov.uk/government/publications/charities-and-reserves-cc19/charities-and-reserves) (Charity Commission – references to the Charities SORP relate to registered charities)
- [College accounts direction \(https://www.gov.uk/government/publications/college-accounts-direction\)](https://www.gov.uk/government/publications/college-accounts-direction) (ESFA)

Investments and trading

- [Charities and investment matters: a guide for trustees \(https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees\)](https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees) (Charity Commission - corporations are not affected by the Charities (Protection and Social Investment) Act which is mentioned)
- [Trustees trading and tax: how charities may lawfully trade \(https://www.gov.uk/government/publications/trustees-trading-and-tax-how-charities-may-lawfully-trade-cc35/trustees-trading-and-tax-how-charities-may-lawfully-trade\)](https://www.gov.uk/government/publications/trustees-trading-and-tax-how-charities-may-lawfully-trade-cc35/trustees-trading-and-tax-how-charities-may-lawfully-trade) (Charity Commission)
- [Approved charitable investments and loans \(https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iii-approved-charitable-investments-and-loans\)](https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iii-approved-charitable-investments-and-loans) (HM Revenue & Customs)
- [Trading and business activities \(https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles#primary-purpose-trading\)](https://www.gov.uk/government/publications/charities-detailed-guidance-notes/annex-iv-trading-and-business-activities-basic-principles#primary-purpose-trading) (HM Revenue & Customs)

Regularity framework

- [Post-16 audit code of practice \(https://www.gov.uk/government/publications/post-16-audit-code-of-practice\)](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (ESFA)
- [Regularity self-assessment questionnaire \(https://www.gov.uk/government/publications/post-16-audit-code-of-practice\)](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (ESFA)

Reporting requirements

- [Accounting \(https://www.aoc.co.uk/funding-finance/accounting\)](https://www.aoc.co.uk/funding-finance/accounting) (Association of Colleges)
- [College accounts direction \(https://www.gov.uk/government/publications/college-accounts-direction\)](https://www.gov.uk/government/publications/college-accounts-direction) (ESFA)

- [Post-16 audit code of practice \(https://www.gov.uk/government/publications/post-16-audit-code-of-practice\)](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (ESFA)
- [Financial planning handbook and financial plan \(https://www.gov.uk/government/publications/financial-planning-handbook\)](https://www.gov.uk/government/publications/financial-planning-handbook) (ESFA)
- [Financial benchmarking tool for colleges \(https://www.gov.uk/government/publications/financial-benchmarking-tool-for-colleges\)](https://www.gov.uk/government/publications/financial-benchmarking-tool-for-colleges) (ESFA)
- [Management accounts: good practice guide for colleges \(https://www.gov.uk/government/publications/college-management-accounts-good-practice-guide/management-accounts-good-practice-guide-for-colleges\)](https://www.gov.uk/government/publications/college-management-accounts-good-practice-guide/management-accounts-good-practice-guide-for-colleges) (ESFA)

Estate management, including environmental sustainability

- [Sustainability in Post 16 Education \(https://www.eauc.org.uk/about_us\)](https://www.eauc.org.uk/about_us) (The Alliance for Sustainability Leadership in Education)
- [The Climate Action Roadmap for FE Colleges \(https://www.eauc.org.uk/fe_roadmap\)](https://www.eauc.org.uk/fe_roadmap) (Climate Commission for UK Higher and Further Education)
- [The Environmental Association for Universities and Colleges \(https://think-global.org.uk/member/environmental-association-for-universities-and-colleges-eauc/\)](https://think-global.org.uk/member/environmental-association-for-universities-and-colleges-eauc/)
- [College requirements regarding asset disposals \(https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-regarding-asset-disposals\)](https://www.gov.uk/government/publications/bite-size-guides-to-aid-colleges-in-meeting-new-requirements-following-reclassification/college-requirements-regarding-asset-disposals) (DfE)
- [Further education estates planning \(https://www.gov.uk/guidance/further-education-estates-planning\)](https://www.gov.uk/guidance/further-education-estates-planning) (DfE)
- [Sustainability and climate change strategy \(https://www.gov.uk/government/publications/sustainability-and-climate-change-strategy\)](https://www.gov.uk/government/publications/sustainability-and-climate-change-strategy) – for education & children’s services systems (DfE)
- [Streamlined energy and carbon reporting for college corporations \(https://www.gov.uk/government/publications/college-corporation-financial-management-good-practice-guides/streamlined-energy-and-carbon-reporting-for-college-corporations\)](https://www.gov.uk/government/publications/college-corporation-financial-management-good-practice-guides/streamlined-energy-and-carbon-reporting-for-college-corporations) (ESFA)
- [Ethical Property Foundation \(http://www.ethicalproperty.org.uk/\)](http://www.ethicalproperty.org.uk/) (property advice site for charities)

Changes to corporate structure:

- [College mergers \(https://www.aoc.co.uk/about-colleges/college-mergers\)](https://www.aoc.co.uk/about-colleges/college-mergers) (Association of Colleges)
- [About mergers \(https://www.ncvo.org.uk/help-and-guidance/running-a-charity/collaboration/mergers/about-mergers/#/\)](https://www.ncvo.org.uk/help-and-guidance/running-a-charity/collaboration/mergers/about-mergers/#/) (NCVO)

- [Help and support for colleges \(https://www.gov.uk/guidance/help-and-support-for-colleges\)](https://www.gov.uk/guidance/help-and-support-for-colleges) (GOV.UK)

Risk management and assurance:

Risk management

- [Charities and risk management \(https://www.gov.uk/government/publications/charities-and-risk-management-cc26/charities-and-risk-management-cc26\)](https://www.gov.uk/government/publications/charities-and-risk-management-cc26/charities-and-risk-management-cc26) (Charity Commission – references to accounting requirements and reporting serious incidents to the Charity Commission relate only to registered charities)
- [Charities and insurance \(https://www.gov.uk/government/publications/charities-and-insurance-cc49/charities-and-insurance\)](https://www.gov.uk/government/publications/charities-and-insurance-cc49/charities-and-insurance) (Charity Commission)
- [The Orange Book – Management of Risk \(https://www.gov.uk/government/publications/orange-book\)](https://www.gov.uk/government/publications/orange-book) (Govt Finance Function & HM Treasury – not specifically for FE institutions but contains general principles which may be useful)
- [Expecting the unexpected \(https://www.gov.uk/government/publications/expecting-the-unexpected\)](https://www.gov.uk/government/publications/expecting-the-unexpected) – business continuity planning (Home Office)
- [Maximising your impact: managing risks and building resilience \(https://www.rsmuk.com/ideas-and-insights/maximising-your-impact-education-risk-register\)](https://www.rsmuk.com/ideas-and-insights/maximising-your-impact-education-risk-register) – analysis of education risk registers (RSM UK)

Financial controls

- [Internal Financial Controls for charities \(https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8/internal-financial-controls-for-charities\)](https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8/internal-financial-controls-for-charities-cc8) (Charity Commission – references to accounting and annual return requirements relate to registered charities)

Audit committee

- [Post-16 audit code of practice \(https://www.gov.uk/government/publications/post-16-audit-code-of-practice\)](https://www.gov.uk/government/publications/post-16-audit-code-of-practice) (ESFA)
- [The scope of work of audit committees and internal auditors in college corporations \(https://www.gov.uk/government/publications/college-corporation-financial-management-good-practice-guides/the-scope-of-work-of-audit-committees-and-internal-auditors-in-college-corporations\)](https://www.gov.uk/government/publications/college-corporation-financial-management-good-practice-guides/the-scope-of-work-of-audit-committees-and-internal-auditors-in-college-corporations) (ESFA)

Challenge and assurance

- [Monitoring overall college performance \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Effective challenge of the senior leadership team \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Effective board reporting \(https://www.icsa.org.uk/knowledge/effective-board-reporting\)](https://www.icsa.org.uk/knowledge/effective-board-reporting) (The Chartered Governance Institute UK & Ireland and Board Intelligence)
- [How to build a charity board assurance framework \(https://www.cgi.org.uk/knowledge/resources/how-to-build-a-charity-board-assurance-framework\)](https://www.cgi.org.uk/knowledge/resources/how-to-build-a-charity-board-assurance-framework) (The Chartered Governance Institute UK & Ireland)
- [Matters reserved for the board of trustees \(https://www.cgi.org.uk/knowledge/resources/matters-revised-for-the-board-of-trustees\)](https://www.cgi.org.uk/knowledge/resources/matters-revised-for-the-board-of-trustees) (The Chartered Governance Institute UK & Ireland)

Monitoring governance

- Charity Governance Code [diagnostic tool \(https://www.charitygovernancecode.org/en/pdf\)](https://www.charitygovernancecode.org/en/pdf) (CGC Steering Group)
- [Board evaluation in the charity sector \(https://www.icsa.org.uk/knowledge/resources/board-evaluation-charity-sector\)](https://www.icsa.org.uk/knowledge/resources/board-evaluation-charity-sector) (The Chartered Governance Institute UK & Ireland)
- [Specimen charity board evaluation questions \(https://www.icsa.org.uk/knowledge/resources/specimen-charity-board-evaluation-questions\)](https://www.icsa.org.uk/knowledge/resources/specimen-charity-board-evaluation-questions) (The Chartered Governance Institute UK & Ireland)
- [The virtuous circle of good charity governance \(https://www.cgi.org.uk/knowledge/resources/the-virtuous-circle-of-good-charity-governance\)](https://www.cgi.org.uk/knowledge/resources/the-virtuous-circle-of-good-charity-governance) (The Chartered Governance Institute UK & Ireland)
- [Trusted Charity Mark \(https://trustedstandard.org.uk/what-s-involved/\)](https://trustedstandard.org.uk/what-s-involved/) (quality assurance system run by The Growth Company for the National Council for Voluntary Organisations)
- [Race Equality Code \(https://theracecode.org/\)](https://theracecode.org/) (The RACE Code)

The college

The principal

- [A question of balance: a guide to the chair and chief executive relationship \(https://www.associationofchairs.org.uk/resources/download-qob/\)](https://www.associationofchairs.org.uk/resources/download-qob/) (Association of Chairs – there is a charge for non-members)
- [Education Staff Wellbeing Charter \(https://www.gov.uk/guidance/education-staff-wellbeing-charter#overview\)](https://www.gov.uk/guidance/education-staff-wellbeing-charter#overview) (DfE)

Principal and senior post-holder recruitment and development

- [Recruitment \(http://www.acas.org.uk/index.aspx?articleid=1371\)](http://www.acas.org.uk/index.aspx?articleid=1371) (ACAS)
- [Appraising your Chief Executive \(https://www.associationofchairs.org.uk/resources/chairs-challenge-series/download-app-ceo/?utm_source=AoC+mailing+list&utm_campaign=c326ce4b48-mem_ews_301120_final_COPY_01&utm_medium=email&utm_term=0_55d32af05d-c326ce4b48-229366825\)](https://www.associationofchairs.org.uk/resources/chairs-challenge-series/download-app-ceo/?utm_source=AoC+mailing+list&utm_campaign=c326ce4b48-mem_ews_301120_final_COPY_01&utm_medium=email&utm_term=0_55d32af05d-c326ce4b48-229366825) (Association of Chairs)
- [SLT Recruitment \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Succession planning \(https://www.cipd.co.uk/knowledge/strategy/resourcing/succession-planning-factsheet#gref\)](https://www.cipd.co.uk/knowledge/strategy/resourcing/succession-planning-factsheet#gref) (Chartered Institute for Personnel and Development)
- [Professional Standards for Leaders \(https://www.et-foundation.co.uk/professional-standards/leaders/\)](https://www.et-foundation.co.uk/professional-standards/leaders/) (Education and Training Foundation)
- [Leadership development programmes \(https://www.et-foundation.co.uk/supporting/leadership-and-governance-programmes/\)](https://www.et-foundation.co.uk/supporting/leadership-and-governance-programmes/) for FE & sixth-form colleges (Education & Training Foundation)
- [Leadership development programmes \(https://www.nationalleadership.gov.uk/our-programme/\)](https://www.nationalleadership.gov.uk/our-programme/) for CEOs and deputy CEOs from public services (National Leadership Centre)
- [What equality law means for you as an employer: when you recruit someone to work for you \(https://www.equalityhumanrights.com/en/publication-download/what-equality-law-means-you-employer-when-you-recruit-someone-work-you\)](https://www.equalityhumanrights.com/en/publication-download/what-equality-law-means-you-employer-when-you-recruit-someone-work-you) (Equality and Human Rights Commission)

Executive pay

- [Senior staff remuneration code \(https://www.aoc.co.uk/corporate-services/governance/code#:~:text=The%20Code%20of%20Good%20Governance,at%20their%20summer%20board%20meeting.\)](https://www.aoc.co.uk/corporate-services/governance/code#:~:text=The%20Code%20of%20Good%20Governance,at%20their%20summer%20board%20meeting.) (Association of Colleges)
- [Report of the inquiry into charity senior executive pay and guidance for trustees on setting remuneration \(https://www.ncvo.org.uk/news-and-insights/news-index/report-inquiry-charity-senior-executive-pay-guidance-trustees-setting-remuneration/#/\)](https://www.ncvo.org.uk/news-and-insights/news-index/report-inquiry-charity-senior-executive-pay-guidance-trustees-setting-remuneration/#/) (National Council for Voluntary Organisations)

Education quality

- [Monitoring overall college performance \(https://www.aoc.co.uk/corporate-services/governance/resources\)](https://www.aoc.co.uk/corporate-services/governance/resources) (Association of Colleges)
- [Inspection and performance of FE providers \(https://www.gov.uk/education/inspection-and-performance-of-further-education-providers\)](https://www.gov.uk/education/inspection-and-performance-of-further-education-providers) (DfE, ESFA and Ofsted)
- [16 to 18 performance tables \(https://www.compare-school-performance.service.gov.uk/schools-by-type?step=default&table=schools®ion=all-\)](https://www.compare-school-performance.service.gov.uk/schools-by-type?step=default&table=schools®ion=all-)

[england&for=16to18&show=All%20pupils%202018&datasetfilter=provisional&searchtype=\)](#) (DfE)

- [Statistics: outcome-based success measures](https://www.gov.uk/government/collections/statistics-outcome-based-success-measures) (DfE)
- [A guide to effective practice in curriculum planning](https://www.gov.uk/government/publications/effective-practice-in-curriculum-planning) (DfE)
- [Qualification achievement rates and minimum standards](https://www.gov.uk/government/collections/qualification-achievement-rates-and-minimum-standards) (ESFA)
- [Further education and skills inspection handbook](https://www.gov.uk/government/publications/further-education-and-skills-inspection-handbook-eif) (Ofsted)

Regulation and support

Ofsted

- [Inspecting further education and skills: guidance for providers](https://www.gov.uk/government/publications/inspecting-further-education-and-skills-leaflet-for-providers) (Ofsted)
- [Inspections of further education and skills providers](https://www.gov.uk/government/collections/ofsted-inspections-of-further-education-and-skills-providers) (Ofsted)
- [Further education and skills inspection handbook](https://www.gov.uk/government/publications/further-education-and-skills-inspection-handbook-eif/further-education-and-skills-handbook-for-september-2022) (Ofsted)

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