

Due Diligence Questionnaire Guidance

Due Diligence is the investigation, or exercise of care, that a reasonable business or person is expected to take before entering into an agreement or contract with another party. It supports good decision-making and mutual understanding of costs, benefits, and risks.

This questionnaire is designed to help facilitate successful partnerships. By understanding the way that each of us work, we can help support each other throughout the project and to identify and mitigate potential problems as early as possible. It also ensures that all parties are able to meet the funder requirements and to accept the terms and conditions of the grant. As funders require their terms and conditions to be cascaded down to all of those involved in the project, it is important that the project partners understand what is required before the project starts.

The questionnaire provides all organisations with a consistent approach for conducting Due Diligence, with the aim of reducing the administrative burden for all involved.

It is important to realise that it may not always be possible to answer every question, and that a lack of policies or processes does not mean that the project and partnership cannot go ahead, but rather allows the parties to discuss how certain elements of the project will be managed.

It may not be appropriate to use the full question set for each partner and you may select to use fewer questions from the set, taking account of the nature of the partner, the value and assessed risks of the planned research project.

This questionnaire has been developed as part of a project led by the Association of Research Managers and Administrators (ARMA) UK, funded by Research England and UK Research & Innovation.

Who should complete this form?

Depending on the size of the organisation, this form may require input from multiple individuals or departments, including legal, financial, research management and/or compliance/risk management personnel. Time and care should be taken to respond to the questionnaire. It is recommended that one individual should be nominated to be the key contact person for this questionnaire.

At least one person with the relevant authority must sign the Questionnaire on behalf of the responding organisation. A second signatory box has been included for use where an organisation's policies and procedures require senior management sign-off. For example, where Signatory 1 is a project manager and Signatory 2 could be an executive of the organisation (Director, Pro Vice Chancellor etc.).

How should this form be completed?

The form should be completed, in English, to the best of your knowledge and supply the relevant documentation which is requested. If you are unable to respond to specific questions or provide documents in English, please contact the lead UK research organisation for further support and guidance.

What if I have any questions?

If you have any questions about how to complete the Due Diligence Questionnaire, please contact the lead UK research organisation by email.

Section A: Organisation Details

1. Organisational Governance

To understand what type of organisation you are, how long you have been operating and whether you have a formal attachment to any other organisations. This includes any previous affiliations whereby a formal partner might still retain significant influence over your organisation or retain a high level of access to your organisation and its research or staff.

To understand how you are registered and with who. Relevant supporting documents may include your registration documents and any Memorandum or Articles of Association.

To understand how your organisation is structured and what the decision-making governance and processes are.

2. Policy and Procedures

To understand what processes you have in place to manage areas that are important for the success of the research project and what support we can offer to ensure the project's success. URL links to policies (especially those in English) for any of the described areas would be very useful.

To understand any regulatory or governance requirements you may have to undertake to participate in the project.

3. Response to Risks Around Misconduct, Including Fraud

To understand your organisation's processes for resolving issues relating to misconduct and fraud and identifying any areas of risk that may impact the delivery of research projects in order to plan appropriate resolutions.

4. Conflicts of Interest

5. Sub-contract Management

To understand what due diligence checks you undertake on your sub-contractors and how we can ensure they are operating in accordance with the funder's terms and conditions. This is because the lead organisation in the UK is expected to undertake compliance checks on expenditure incurred by sub-contractors to comply with funder terms and conditions.

6. Ability to Deliver: grant administration

To understand what experience your organisation has in participating in and managing externally funded collaborative research projects, including if you have no prior experience of participating in externally funded collaborative research projects.

To understand the scale and scope of research projects you have previously been involved with. Information about the funder, the total value of the project, and the value of the project you were responsible for and the number of organisations involved in the project would be useful information.

To understand how externally funded research projects are managed and administered in your organisation.

7. Ability to Deliver: finance

To provide evidence of how externally funded projects are financially managed within your organisation

To provide evidence to support the assessment of the financial security of your organisation and how risks can be mitigated if necessary.

To provide evidence that your organisation is in good financial health and has the financial capacity to deliver for the duration of the project.

To determine how we can ensure the project funds are paid to your organisation safely.

To understand what internal and external checks are undertaken within your organisation relating to financial transactions. Supporting evidence could include audit reports from internal or external auditors or financial regulators.

To establish what insurance cover you have and that it is appropriate for the project being undertaken.

8. Country-specific Information

Please provide any information about requirements that must be taken into consideration when planning the successful delivery of the project. Examples could include import or export controls, local ethics requirements, permits required to undertake projects, recruitment legislation, government approval to receive funds and the level of any associated fees.

Section B: Project Details

This section is exclusively about the research project in question. Whereas Section A may be completed once and updated when appropriate, it is expected that Section B is completed for each project undertaken with a new or existing partner.

9. Project Governance

Information about how the project will be managed on a day-to-day basis, including how project-specific risks are managed, how the finances are managed and by who.

To provide assurance that the project will be conducted in accordance with all regulatory requirements and that those involved are appropriately trained and experienced for the project being undertaken.

To provide information about other organisations involved in the project, whether they will receive funds from the project and if so, how they are being managed.

To understand what resources you have available and whether they are sufficient for the project's needs, or whether there is anything we can provide to support the successful outcome of the project.

Glossary

Term	Meaning
Affiliated	An official attachment of one organisation to another
Audit	An objective examination and evaluation of the financial statements of an organization to make sure that the financial records are a fair and accurate representation of the transactions they claim to represent
Audited accounts	An organisation's financial records that have been officially examined to check that they are accurate
Bribery	The act of offering someone money or something valuable in order to persuade them to do something
Conflict of interest	A conflict of interest occurs when an entity or individual becomes unreliable because of a clash between personal (or self-serving) interests and professional duties or responsibilities.
Corruption	The abuse of entrusted power for private gain
Due Diligence	A way to identify, evaluate and verify all available information on an individual or entity
Financial procedures	A guide to best practice for all staff with responsibilities for finance administration, including mandatory rules and framework for financial activities.
Fraud	Wrongful or criminal deception intended to result in financial or personal gain
Governance	The framework of rules and practices by which an organisation ensures accountability, fairness, risk management and transparency in its relationship with all stakeholders.
Health & Safety	Regulations and procedures intended to prevent accident or injury in workplaces or public environments.
Insurance	A contract, represented by a policy, in which an individual or entity receives financial protection or reimbursement against losses from an insurance company.
Internal audit	Evaluation of an organisation's internal controls, including its corporate governance and accounting processes.
Physical infrastructure	Buildings, equipment and facilities.
Procurement	The act or process of purchasing something

Project Management	The application of processes, methods, skills, knowledge and experience to achieve specific project objectives according to the project acceptance criteria
Recruitment & Staffing policy	The process of identifying, attracting, interviewing, selecting and hiring employees.
Research data management and data protection	The care and maintenance of the data that is produced during the course of research in accordance with contractual and legal obligations.
Research ethics	A set of principles governing the way any research involving interaction between the researcher and other humans or human tissue or data relating to humans, is designed, managed and conducted.
Research misconduct	The fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results.
Risk management	The forecasting and evaluation of risks together with the identification of procedures to avoid or minimise their impact.
Safeguarding	Measures to protect the health, well-being and human rights of individuals, which allow people — especially children, young people and vulnerable adults — to live free from abuse, harm and neglect
Travel & subsistence	The cost of spending on business travel, meals, hotels, sundry items such as laundry and similar ad hoc expenditures. These reimbursements often have tax and related implications and vary depending on the country of the business.
UK Counter-Terrorism Regulations	UK Universities are committed to and comply with the UK Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019 that further the prevention of terrorism in the UK or elsewhere and protect UK national security interests. It is through this regime that the UK implements its international obligations under UN Security Council Resolution 1373. https://www.legislation.gov.uk/ukxi/2019/577/contents/made
UK Modern Slavery Act	UK Universities are committed to and comply with the UK Modern Slavery Act 2015, a legislation which fights modern slavery, servitude and forced or compulsory labour and human trafficking and makes provision for the protection of victims. https://www.gov.uk/government/collections/modern-slavery-bill
Whistleblowing	The term used when a worker passes on information concerning wrongdoing