

Governing a school trust

September
2025



**Confederation
of School Trusts**

The voice of school trusts

Governing a school trust

About this guidance.....	3
Introduction	4
Legal basis of academy trusts	4
What is governance and why is it important?	4
Commissioning strong trusts and the regulatory environment.....	5
Relationship between the DfE's trust quality descriptions and CST's <i>Building strong trusts</i>	5
Relationship with the <i>Academy trust governance code</i>	6
Overview of frameworks and when to use them	7
Domain one: Board leadership.....	8
1. Purpose and direction	9
2. Culture and values.....	11
3. People and workforce – being a good employer	12
4. Making good decisions.....	14
5. The civic role of trusts and community anchoring.....	17
Domain two: Structures	21
6. Significant separation	22
7. Division of responsibilities	24
8. Delegations	26
9. Local governance.....	28
10. Succession, appointments, and diversity	31
Domain three: Accountability.....	33
11. Educational quality and improvement across the group of schools	34
12. Fiduciary duty and financial governance	37
13. Audit, risk, and internal control	39
14. Setting remuneration.....	41
15. External accountability.....	42
Domain four: Compliance and care	45
16. Acting within powers	46



17. Regularity, propriety and value for money	49
18. Conflicts of interest and related party transactions.....	50
19. Safety and safeguarding, welfare and wellbeing	53
20. Care, skill and diligence – and the bond of trust.....	55
The importance of assurance and evaluation in board effectiveness.....	57
Review of people and individual roles	57
Review of systems and policies	57
Governance reviews.....	58
CST support for trust boards.....	59
Chairing a school trust board	59
Governing a school trust programme	59
The role of trust members	59
The role of the SEND trustee	59
The role of the safeguarding trustee	60
The role of the careers trustee	60
The role of local governance in a school trust	60
Masterclasses in trust leadership.....	61
Mentoring service for trust chief executives and chairs.....	61
Trust development services for governance	62
Annex A: Regulatory frameworks	63
Other regulatory guidance	63



About this guidance

The proposition of governing a school trust is fundamentally different from governing a maintained school. This guidance focuses on four areas, or “domains”, and twenty elements that arise in the specific context of trust governance. They draw on the governance literature from within and from outside our sector, notably from the charity sector and the corporate sector where boards are their own legal entities and have duties as employers, under charity or company law.

While there may be comparable problems in maintained schools, problem-identification and solutions will be specific to trust governance. Without domain-specific knowledge of school trust governance, trustees will be hampered in carrying out their role.

The trustees of an academy trust are both charity trustees and company directors. In some trusts, particularly those with religious designations, those on the board are known as ‘directors’ and the term ‘trustees’ is used for those on the board of a separate trust that owns school land. In this guidance we follow the principle in the Department for Education’s *Academy trust handbook* and refer to people on the academy trust board as trustees.

This guidance is intended to supplement and not replace the regulatory framework set out in the *Academy trust handbook* and can be used together with CST’s *Assurance framework for trust governance*. It should also be read in conjunction with the Department for Education’s *Academy trust governance guide* and the sector-led *Academy trust governance code*.



Introduction

Legal basis of academy trusts

An academy trust (which CST calls a school trust) is a charitable company. Typically trusts have a single charitable object – to advance education for public benefit. School trusts are specialist organisations set up to do just one thing: to run and improve schools to give children a better future.

CST's narrative for school trusts makes the case that a trust is a group of schools working in collaboration as one entity to improve and maintain high educational standards across the group.

What is governance and why is it important?

The need for governance exists anytime a group of people come together to accomplish an end. And what can be more important than the education of children and young people? The governance literature proposes several definitions, but most rest on three dimensions: authority, decision-making and accountability. We adopt the working definition of the Canadian Institute on Governance which has the following dimensions:

- Who has power
- Who makes decisions
- How stakeholders make their voices heard
- How account is rendered

England has one of the most autonomous education systems in the world; with increased institutional autonomy, governance is essential. Those responsible for governance must ensure that corporately the board is **effective**, **accountable**, and **ethical**. These three principles underpin the domains and elements of governance explored in this guidance.

Ultimately the task of governance in school trusts is to advance education for public benefit. In doing so, we must enact a sacred duty of holding trust on behalf of children. This is a task bigger than one person – bigger than the executive trust leader – because we are all fallible. We all have moments of blindness alongside our capacity for insight. It is a task so important that it requires a group of people: the trust board.

Executive leaders hold their authority, power, legitimacy, and ability to make decisions because these are delegated by the trust board. And their first line of accountability is to the trust board.

The trust board draws its legitimacy from its contract with the Secretary of State in the form of funding agreements. The task of governance is set out in the trust's governance document, the articles of association. Both the board and the accounting officer exist in complex systems of accountability. CST has written about these in our paper on *Intelligent systems of accountability*.



Commissioning strong trusts and the regulatory environment

In March 2023 the Government's [regulatory and commissioning review](#) report set out a commitment to publishing the process for [commissioning high-quality trusts](#), making use of trust quality descriptions and associated evidence. The trust quality descriptions were published in July 2023 and have five pillars:

1. High quality and inclusive education
2. School improvement
3. Workforce
4. Finance and operations
5. Governance and leadership

The regulatory environment is complicated and there is often much confusion in the sector about what is required of trusts (the statutory and regulatory frameworks) and what is non-statutory guidance. This guidance refers to many useful documents, and Annex A sets out the regulatory frameworks that all trustees should know and have read.

Relationship between the DfE's trust quality descriptions and CST's Building strong trusts

CST has published a position paper on [Building strong trusts](#). Alongside that paper, we have also published a [Building strong trusts assurance framework](#). There is a relationship between the DfE's trust quality descriptions and our work on building strong trusts. CST's work includes but is not limited to the DfE's five pillars. The table below sets out the key differences.

CST domains	DfE trust quality descriptions
Strategic governance	Governance and leadership
Expert, ethical leadership	
High quality, inclusive education	High quality and inclusive education
School improvement at scale	School improvement
Workforce resilience and wellbeing	Workforce
Finance and operations	Finance and operations
Public benefit and civic duty	

We want to be clear that the purposes behind CST's paper on [Building strong trusts](#) and the DfE's trust quality descriptions are very different. The DfE's intention is to set out the definitions of quality to inform their regional directors' commissioning work. CST's work is about supporting the sector to build organisational strength and resilience. If we are to build a common language and some common concepts, they must be aligned to a shared understanding of quality and quality assurance.

For the purposes of this guidance, we will include reference to strategic governance. Aspects of the other domains, as they pertain to governance, are included in the guidance. However, for an overall assurance framework testing the domains of trust strength (rather than just governance) we would refer you to CST's [Building strong trusts assurance framework](#). This guidance, and the related [Assurance framework for trust governance](#), are a 'deep dive' into governing your trust.

In this guidance, we are less concerned with generic approaches to governance and more interested in building proficiency around the education-specific and highest-leverage work that trustees do in governing their trust. We do draw on the governance literature outside education because it helps to shine a light on how to tackle some of the problems. We think some of these problems are created by bringing the 'mental models' of maintained school governance into trust governance.

We think that it is fundamentally important that we develop a strong theoretical basis for governing school trusts, and that is what we attempt to do here.

Relationship with the Academy trust governance code

CST has worked with the Chartered Governance Institute and a steering group of national organisations involved in trust governance to develop a sector-led [Academy trust governance code \(ATGC\)](#).

There has been a [Charity governance code](#) since 2005. That code was developed by a number of sector bodies to develop good governance practice 'for the sector, by the sector'. Adoption of the Code is encouraged; however, compliance is voluntary and not mandated by the Charity Commission for England and Wales.

The *Academy trust governance code* is a **principles-based** document. The principles of the *Academy trust governance code* closely follow the *Charity governance code*:

- [The Fundamental principle](#)
- [Principle 1: Delivering the academy trust charitable objects](#)
- [Principle 2: Leadership](#)
- [Principle 3: Integrity](#)
- [Principle 4: Decision making, risk and control](#)
- [Principle 5: Board effectiveness](#)
- [Principle 6: Equality, diversity and inclusion](#)
- [Principle 7: Openness and accountability](#)

Broadly speaking, the principles of the code are intended to guide behaviour. The domains of *Governing a school trust* describe the collection of activities or functions that influence strong governance performance.



Overview of frameworks and when to use them

Framework	What is it?	When to use it
<i>CST Building strong trusts assurance framework</i>	A high-level, developmental assurance tool aligned with CST's <i>Building strong trusts</i> and the DfE's trust quality descriptions	To test elements of the trust's strength across 7 domains: governance; leadership; high quality, inclusive education; school improvement; workforce; finance and operations; and public benefit Can be used to inform growth strategy
<i>CST Assurance framework for trust governance</i>	A deep dive into the activities and functions that influence strong governance performance, to be used in conjunction with this guidance, <i>Governing a school trust</i>	To test the strength of a trust's governance
<i>DfE MAT assurance framework</i>	A deep dive to help a trust understand its current capacity to support and drive school improvement	To build and strengthen current capacity and potentially to grow capacity to support more schools
<i>Academy trust governance code (ATGC)</i>	A voluntary, sector-led code which sets out the principles, desired outcomes, and recommended practice for effective governance	To test the principles of good governance and the behaviours, commitments and practices that inform them



Domain one: Board leadership

An effective trust board defines the trust's vision in accordance with its charitable objects and then sets a strategy to deliver them, underpinned by the values and behaviours that shape the culture across the whole organisation.

The board will be able to explain how the core charitable purpose is enacted both within and beyond the organisation, how the trust enacts its civic role by working with other civic actors, the main factors affecting the trust's long-term success and future viability and how these and the trust's principal risks and uncertainties have been addressed.

The [Academy trust handbook](#) and [Academy trust governance guide](#) set out the core functions of a trust board:

- Strategic leadership of the academy trust
- Accountability and assurance
- Meaningful engagement with stakeholders

A key principle of the [Academy trust governance code](#) relates to leadership: the trust must be led by an effective board that provides strategic governance in line with its aims and values and engages effectively with its members. Leadership is the final principle of the seven principles of public life. Trustees are holders of public office. They should exhibit the principles of public life and the code in their own behaviour individually and collectively.

1. Purpose and direction

The board is the guardian of the charitable 'objects' or purposes of the trust. Delivering the charitable object is [principle one](#) of the [Academy trust governance code](#). The majority of school trusts in England have in common the charitable object of advancing education for public benefit by establishing, maintaining, carrying on, managing and developing schools. Some trusts, such as those with schools with a religious character, have specific objects relevant to their circumstances.

Equality, diversity and inclusion ([principle six of the ATGC](#)) should be embedded in the trust, as the overarching entity and individual schools in the family and help to deliver its public benefit. The trust has a legal and moral duty to **challenge inequality** and **achieve improved equality of outcomes**.

The board sets the overall direction for the organisation which is then operationalised by the executive team. The vision and strategy are typically a process of co-construction between the executive team and the board but are 'owned' by the board and put into action by the executive team. Typically, the chief executive (or an equivalent post) is responsible for proposing the strategy and for delivering it as agreed by the board.

Boards have a responsibility for the success of the trust and need to take a long-term view. It is easy for boards to become focused on the immediate and the urgent. An effective trust board will manage the conflict between short-term interests and a long-term orientation. The board will assess the impacts of its decisions on the long-term sustainability of the trust, including setting its growth strategy.

Additional guidance

You may wish to refer to:

- CST (2021), [The role of the accounting officer](#)
- CST's [Growing and merging: Guidance for trusts preparing to expand](#)
- Department for Education's non-statutory guidance on [Multi-academy trusts: establishing and developing your trust](#).



Questions for the trust board

- Does the board have a shared understanding of, and commitment to, the trust's charitable purposes and can individual trustees articulate these clearly?
- Can the board demonstrate that the trust is effective in achieving its charitable purposes and agreed outcomes?
- How does the trust meet its equalities objectives and ensure a laser-like focus on equality, diversity and inclusion?
- Does the board have a strategy that aligns with the trust's charitable objects?
- Is the board clear about its ambitions and trajectory for growth or indeed whether it wishes to consolidate rather than grow?
- Does the board intentionally build relationships with regulators (e.g. Department for Education regional director)?
- Does the strategy include an ambition to contribute to wider system capacity and the common good?
- Is there a balance between the focus on immediate issues and long-term success?
- What proportion of board time is spent on financial performance management versus other matters of strategic importance?



2. Culture and values

The trust board sets the framework of values within which the desired culture is enacted. Ownership of the values will be stronger if the culture of the organisation is co-constructed by executive and governance leaders. Values need to be embedded at every level of the organisation and in all the schools in the group.

The board, members, and those working for or representing the trust, must be seen to act with honesty, trustworthiness, and care, and support its values.

Trustees and leaders hold public office and are therefore bound by the [Principles of Public Life](#). Integrity ([principle three of the ATGC](#)), objectivity, openness and accountability ([principle seven of the ATGC](#)) matter at every level. The quality of governance will be evident in the way the trust conducts its business – how it treats its workforce, pupils, parents, communities, and suppliers.

The board must safeguard and promote the trust's reputation by **living its values** and by extension promoting public confidence in the wider sector.

The board will need assurance from the executive that the trust's purpose and values are embedded in all operational policies and practices. Per principle three of the ATGC, the board should assess and monitor culture for alignment with the trust's purpose and values.

Additional guidance:

- Cabinet Office's [Code of conduct for board members of public bodies](#)
- CST's [Model code of conduct for trust boards](#)
- Chartered Governance Institute UK & Ireland and CST's [Organisational culture in academy trusts](#)
- [CST's A framework for understanding and auditing organisational culture](#).

Questions for the trust board

- How consistent is the trust's strategy with the organisation's purpose, values and culture, and responsibilities for long-term success?
- To what extent is the board's own way of operating a reflection of the values the organisation is promoting?
- How does the board demonstrate ethical leadership and display the behaviours expected from others?
- What does the workforce say about the 'tone from the top'?
- What steps have we taken to ensure that suppliers meet expected standards of behaviour?



3. People and workforce – being a good employer

As the legal entity and the employer, it is important that the trust board establishes an expectation of ‘one organisation.’ A school trust is not a loose collection of schools, but a single organisation with a strong culture and explicit values.

Part of being a good employer is to understand the strategic rather than transactional nature of human resources. In the CST paper, [The role of trusts as talent architects – creating schools as great places to work](#), Mandy Coalter argues that there should be a written people strategy with the following four pillars:



The role of the board is to hold the executive to account for the execution and impact of the ‘people strategy.’

The board’s role is also to **ensure the wellbeing of its workforce**. This is particularly important for purposes of ensuring the longer-term sustainability of trusts, given the links between workload and wellbeing issues and retention.

The board has a fundamentally important role in relation to **equality, diversity and inclusion** in its workforce. [Principle six of the ATGC](#) highlights the importance of a clear, agree and effective approach to advancing equality, diversity and inclusion throughout the trust. Beyond the three duties set out in the [public sector equality duty](#), our schools and trusts need to be places that build bridges in the creation of a better and more equal society.

Additional guidance:

- CST’s [Knowledge-building: School improvement at scale](#)
- CST’s [Professional development in school trusts: Capacity, conditions, and culture](#)
- Edurio’s report on [Equality, diversity and inclusion among school staff](#)
- CST’s [Building diversity into our workforce strategies](#)

Questions for the trust board

- How does the board execute its responsibilities as an employer? How does it ensure that the trust is a great place to work?
- Is there a written people strategy? Does it include a focus on professional development as a strategic improvement initiative?
- What steps have our executive leaders taken to communicate values and expected behaviours widely and clearly across all our schools?
- How have the values and expected behaviours been reinforced in our recruitment, promotion, reward, performance management and other policies, processes and practices?
- What does staff wellbeing look like in the trust?
- How does the trust promote flexible working?
- What does the board know about workload in the group of schools?
- How does the board ensure that leaders, teachers and staff have a manageable workload?
- How does the board undertake its role as an employer in relation to equality, diversity and inclusion in its workforce?



4. Making good decisions

Good decisions do not happen by accident and are the cornerstone of good governance. [Principle four of the ATGC](#) relates to decision making, risk and control. Good decisions depend on good judgement, a consideration of the available evidence, and where necessary seeking expert and/or external advice.

The board should be clear that its **main focus is on strategy, performance and assurance**, rather than operational matters, and reflects this in what it delegates to its committees, local governance arrangements, or individuals.

The board should have a **sound decision-making and monitoring framework** which helps the trust deliver its charitable purposes. The board should promote a culture of sound management of resources but also understand that **being over-cautious and risk averse can itself be a risk** and hinder innovation. The board should have sound processes for delegation (see below, Domain two: Structures, element 8), managing and monitoring organisational performance and actively managing risks (see below, Domain three: accountability), and managing conflicts of interest and related party transactions (see below, Domain four: Compliance and care, element 18).

The following table provides an ethical matrix for good decision-making, which CST has developed based on the Seven Principles of Public Life. Some trusts publish this on the reverse of board agendas.

An ethical matrix to ensure good decision-making	
Selflessness	All our decisions have been taken in the public interest.
Integrity	We have not acted or taken decisions in order to gain financial or other material benefits for ourselves, our family, or our friends.
Objectivity	Our decisions have been taken impartially, fairly and on merit, using the best evidence and without discrimination or bias.
Accountability	We are comfortable submitting ourselves to external scrutiny.
Openness	We have taken decisions in an open and transparent manner.
Honesty	We have been truthful in our actions, decisions and reporting.
Leadership	We have demonstrated the highest standards of public life in our individual and corporate behaviour.

Conflicts of interest, emotional attachments, unconscious bias, and inappropriate reliance on previous experience can distort decisions. In fact, the Financial Reporting Council says that: *“Many of the factors that lead to poor decision-making are predictable and preventable. Boards can minimise the risk of poor decisions by investing time in the design of their decision-making policies and processes,*

including the contribution of committees and obtaining input from key stakeholders and expert opinions when necessary.”¹

The following table, adapted from the Financial Report Council’s [Guidance on board effectiveness](#), outlines some common risk factors for poor decision making.

Table two: Risk factors for poor decision-making
• Lack of time for debate and truncated debate • Complacent or intransigent attitudes • Undue focus on short-term time horizons • Dominant personality or group of trustees on the board, inhibiting contribution from others • Insufficient diversity of perspective on the board – ‘group think’ • Excess focus on risk mitigation or insufficient attention to risk • A compliance mindset and failure to treat risk as part of the decision-making process • Insufficient knowledge and ability to test underlying assumptions/inability to challenge effectively • Failure to listen to and act upon concerns that are raised • Failure to recognise the consequences of running the trust on the basis of self-interest and other poor ethical standards • A lack of openness by trust leaders, a reluctance to involve trustees, or a tendency to bring matters to the board for sign-off rather than debate • Inadequate information or analysis/poor quality papers/insufficient notice

If one or more of these risk-factors are present in your board meetings, you can use this table as a resource to invite trustees to reflect on whether they recognise any of these risk factors and then give consideration to how you will mitigate or address the risks. These might include:

- Working with your governance professional to ensure high quality agenda setting, appropriate meeting length and frequency and robust reporting and minuting to ensure maximum efficiency and eliminate ‘fluffload’ where possible
- Regular training for trustees to address lack of expertise or current knowledge
- Regular board self-evaluation processes to identify and address weaknesses in board composition and performance issues such as group think, unhelpful attitudes and trustee commitment and skill levels
- Regular review of committee structures and remits to ensure a fair, balanced and reasonable distribution of workload and responsibilities and lack of duplication

For *significant decisions*, the Financial Reporting Council recommends that boards may wish to put in place extra steps:

- Describing in board papers the process that has been used to arrive at and challenge the proposal prior to presenting it to the board.

¹ [Guidance on board effectiveness](#), FRC, 2018, page 9

- Where appropriate [and being mindful of workload], putting in place additional safeguards to reduce the risk of distorted judgements by, for example, seeking expert external advice or introducing a devil's advocate to provide challenge in meetings.
- Ensuring that board minutes document the discussion that led to the decision, including the issues raised and the reasons for the decision.²

Questions for the trust board

- How does the board ensure its main focus is on strategy, performance and assurance, rather than operational matters?
- Does the board have a sound decision-making and monitoring framework which helps the trust deliver its charitable purposes?
- Have relevant members of the executive team been invited to explain the issues at the earlier stages, enabling all trustees/directors to share concerns or challenge assumptions well before the point of decision?
- Does the board have a well-established process for identifying, and does it understand the reporting arrangements for, related party transactions?
- Does the board have a process for considering the impact on key stakeholders and/or taking consultation with stakeholders into account?

² [Guidance on board effectiveness](#), FRC, 2018, page 10

5. The civic role of trusts and community anchoring

CST believes that [school trusts are a new form of civic structure](#).³ As such, leaders have a duty to engage with their communities, stakeholders and other civic actors for the wider good. It is increasingly important that trusts have a strong approach to community and stakeholder involvement that includes but goes beyond consultation. Trusts must work together with other civic partners to ensure the value of the child, build coherent public services, and ensure that the collective actions of all civic actors protect high-quality education.

The 'public benefit' aspect of the charitable purpose of trusts means that boards cannot, and should not, just see their role only as serving the children, families and communities that their schools serve, but must look beyond this and work in a *connected* system. CST has published [further guidance](#) on this. [Principle one of the ATGC](#) also highlights the need for boards to recognise the trust's role in making a strategic contribution to the greater social good and its responsibilities towards the educational community, parents/carers, civic institutions and to wider society.

School trusts as anchor institutions are **a new form of civic structure**. Trusts must be anchored in their communities. An 'anchor institution' is an organisation with an important presence in a place. Examples include local authorities, NHS trusts, universities and housing associations. Anchor institutions are significant because they have a large stake in their local or regional area.

Anchor institutions, alongside their main purpose, play a significant role in a locality by making a strategic contribution to the greater common good.

The board should explore ways in which their trust is anchored to its communities and can **leverage assets to benefit the local area and local people** – in other words for school trusts to offer not just educational value in a locality, but wider social value.

Additional guidance:

- CST's [Public benefit and civic duty: Guidance for school trusts](#)
- [CST's Community anchoring: school trusts as anchor institutions](#)

³ Our use of the term 'civic' relates to the duties or activities of people in relation to their local area. We do not see this term relating only to urban conurbations or cities – but rather as an expression of the importance of place.



Questions for the trust board

- Does the trust anchor its strategy in the needs of its schools, the communities they serve and the wider educational system in line with its charitable objects?
- Does the board have a strong process for community and stakeholder involvement?
- Has the board sought input from stakeholders on key decisions to be comfortable that it has a rounded view on these decisions?
- Can the board explain how the impact on key stakeholders has been taken into account in key decisions?
- How does the board ensure that its interactions with its stakeholders are guided by the values, ethics and culture put in place by the board, where appropriate in agreement with any sponsoring or founding body?
- Can the board evidence how its work and impact are appreciated by all its stakeholders?
- How does the board demonstrate that it takes seriously its responsibility for building public trust and confidence in its work?
- Is the trust seen to have legitimacy in representing its pupils, parents and carers, staff and wider communities?
- How does the board understand its wider civic responsibilities and work in partnership to build relations across the local education community?
- What will the board do to work with other civic actors to advance education as a public good in your locality or localities?
- How does your trust reflect your commitment to civic leadership?
- How does your growth plan reflect your commitment to advance education as a public benefit in your current locality or in a new locality?
- How do you show your trust is accountable first and foremost to the communities you serve?

Next-gen governance questions for the board:

- Does your long-term strategic planning extend beyond the working lifespan of your senior leaders and trustees?
- How does your succession plan dovetail with your strategic plan?
- Is your succession plan fully embedded in your professional development and people strategy as well as your financial horizon planning?
- How does your trust attract candidates? Are you purposefully reading diverse audiences? Does this include alumni?
- How independent is your governance appointment process or is recruitment 'in my image'?



- How do you consider the culture, climate and working conditions of your board, and your trust and whether this might fail to attract (or actively drive away) more diverse staff and leaders?
- How do you ensure that diversity is embedded and not tokenistic in nature?
- How do leaders model genuine vulnerability and honesty?
- Are there extreme power gradients in your trust?

Board leadership: Selected further reading and resources

Cabinet Office (2019), [*Code of conduct for board members of public bodies*](#)

Chartered Governance Institute UK & Ireland and CST (2018), [*Organisational culture in academy trusts*](#)

Coalter, M (2021), [*The role of trust as talent architects – creating schools as great places to work*](#), Confederation of School Trusts

Committee for Standards in Public Life (1995), [*Seven Principles of Public Life*](#)

CST (2018), [*A framework for understanding and auditing organisational culture*](#)

CST (2024), [*Building diversity into our workforce strategies*](#)

CST (2021), [*Growing and merging: Guidance for trusts preparing to expand*](#)

CST (2021), [*Knowledge-building: School improvement at scale*](#)

CST (2018 updated 2024), [*Model code of conduct for trustees and trust boards*](#)

CST (2024), [*Next-gen governance*](#)

CST (2022), [*Professional development in school trusts: Capacity, conditions, and culture*](#)

CST (2022), [*Public benefit and civic duty: Guidance for school trusts*](#)

Department for Education (2023), [*Commissioning high-quality trusts*](#), trust quality descriptions and associated evidence

Department for Education (2021), [*Multi-academy trusts: establishing and developing your trust*](#) (see Trust partnerships)

[*Edurio, Equality, diversity and inclusion among school staff*](#)

Financial Reporting Council (2018), [*Guidance on board effectiveness*](#)

Joy and Murray (2016), [*It starts from the top: improving governance, improving impact*](#)

National Foundation for Education Research (2022), [*Racial equality in the teacher workforce*](#)

Townsend, J, Vainker, E and Cruddas, L (2022) [*Community anchoring: School trusts as anchor institutions*](#), Confederation of School Trusts.





Domain two: Structures

A school trust is a dynamic organisation. If the trust has a group of schools, then governance is also a complex activity. The structures of governance are therefore dynamic and should change when 'inflection points' are reached. An inflection point is a non-incremental point of change in an organisation's growth.

This section should be read alongside the Department for Education's [*Academy trust governance guide*](#).



6. Significant separation

The [Academy trust handbook](#) (paragraph 1.6) and [Academy trust governance guide](#) (section 4.2.1) both state that the majority of members should not also be trustees. If members sit on the board of trustees this may reduce the objectivity with which the members can exercise their powers and increases the risk of unchecked 'group think' by the board. As noted in [principle two of the ATGC](#), a clear separation of the activities of the board and those of members also avoids the risk of anyone being considered a shadow director.

Significant separation does not mean that no trustee can serve as a member. Arguably having one trustee serving as a member can help with the task of keeping members informed.

However, on balance CST recommends against having trustees (including the chair) serve as members. This is because of the potential conflict of interest – members hold the trust board to account and in a dual role individuals cannot meaningfully hold themselves to account.

Similarly, in their model articles, the DfE cautions that members should carefully consider the benefits and risks of appointing the CEO (or equivalent) as a trustee, seeking evidence to support their decisions. This is a matter for each trust board to consider. CST has developed the table (below) of advantages and disadvantages to support the board's deliberations.

CEO as a trustee - advantages	CEO as a trustee - disadvantages
Aligns decision making of the board with the accounting officer's regulatory accountability Shared view of the direction of travel and the execution of corporate strategy	Lack of executive/ non-executive separation – comprises the principle of the board's independence from the executive. Conflict of interest - CEO as a trustee holds themselves to account. Charitable principle of no financial benefit to a trustee is compromised.
CEO <u>not</u> serving as trustee - advantages	CEO <u>not</u> serving as trustee - disadvantages
Protection of board independence from the executive. The role of the accounting officer to report regulatory breaches is not compromised by them also serving as a trustee and therefore having to take corporate responsibility along with other trustees for actions or decisions that constitute regulatory breaches.	Potential for lack of alignment between board and executive – the risk that the CEO is (or feels) alienated from the decision-making of the board and/or the executive has a different view of the direction of travel than the board.

CST believes that the **principle of significant separation should also apply between members, trustees and the local tier of governance**. This is because there may be conflicts of interest between a local committee understandably wanting to represent the interests of an individual school and the duty of members and trustees to act in the interests of all the schools in the trust.



CST's *[Role description: Member](#)* has a more detailed description of the role and powers of members.

Questions for the trust board

- Does the trust have at least three members (although the Department for Education's strong preference is that trusts should have at least five members)?
- Is there significant separation between members and trustees?
- What mechanisms are in place to keep members informed so that they can exercise their powers where necessary to further the academy trust's charitable purpose?
- Is there significant separation between the trust board and the local tier of governance?
- What mechanisms are in place to ensure good communication between the tiers of governance?
- Does the trust provide details of its governance arrangements in its accounts and on its website, including the structure and remit of the members, board of trustees, committees, the trust's scheme of delegation and information for each trustee and local governor serving at any point over the past 12 months?



7. Division of responsibilities

As noted in [principle four of the ATGC](#), the board is accountable for the decisions and actions of the trust, but it cannot and should not do everything. It is vital that boards understand and respect the division of responsibilities between executive and non-executive functions. Executives (senior trust leaders) have day-to-day responsibility for the operation of the trust. Non-executives (trustees) provide constructive challenge, strategic guidance, specialist advice and hold the executive to account.

Warning signs to look for:

- **Boundary-crossings:** where the non-executives try to step into operational control and/or where the executives try to control the board or chair local committees.
- **Boundary skirmishes:** where the executives and non-executives are in a state of boundary disputes or open warfare such that the board cannot focus on its duties or do its work.

Patrick Lencioni⁴ in his book *The Advantage*, sets out some criteria for a healthy organisation:

- Minimal politics
- Balance of support and challenge
- High morale/high trust
- Minimal confusion
- A focus on what matters most

The chair is pivotal in creating the conditions for overall board and individual trustee effectiveness, setting clear expectations concerning the style and tone of board discussions, ensuring the board has effective decision-making processes, and that the board holds the executive to account. The chair holds responsibility for developing a close and productive relationship with the chief executive. A [role description of the chair](#) can be found in the Resources section of our website.

The chief executive is responsible for ensuring that the executive provides the board with accurate, timely and clear information in a form and of a quality and comprehensiveness that will enable it to discharge its duties. In their role as accounting officer, the chief executive has certain statutory responsibilities. CST's [guidance on the role of the accounting officer](#) details this further. Boards are responsible for ensuring an effective, evidence-led and developmental appraisal process for the chief executive. CST's guidance on the [core responsibilities of the trust CEO](#) is a set of national standards that boards can use to support the appraisal process.

The role of **governance professional** as strategic advisor and in-house counsel to the trust board is increasingly important, as made clear by the fact that the role is now a 'must' in the [Academy](#)

⁴ Lencioni, P (2012) *The Advantage: Why organizational health trumps everything else in business*. Jossey-Bash.



[trust governance guide](#). Our theory of change in [Next-gen governance](#) places them at the heart of effective governance. CST has a helpful role description of the [governance professional](#).

The Governance and Leadership pillar of the DfE's [trust quality descriptions](#) sets out a helpful description of the division of responsibilities.

Questions for the trust board

- Do those responsible for governance at all levels understand their roles, responsibilities, and accountabilities?
- Does the board hold executive leaders to account for the effective implementation of the trust strategy and operating plan, including in relation to the use of resources and the drivers of impact?
- Are the board papers accurate and clear, and in a form and of a quality and comprehensiveness that will enable the board to discharge its duties?
- Does the board foster a culture where constructive challenge is welcomed; thinking is diverse; a variety of experiences and perspectives are welcomed; and continuous improvement is the norm?
- Is the board culture that of minimal politics, minimal confusion, a balance of support and challenge, high morale, and a focus on what matters most?
- Does the board understand the role of the governance professional as in-house counsel and advisor? Do they garner the respect and remuneration worthy of a strategic leader within the trust?



8. Delegations

The scheme of delegation is a vital document within a school trust. The [Academy trust handbook](#) (paragraph 2.4) states: “The board cannot delegate overall responsibility for the academy trust’s funds. However, it **must** approve a written scheme of delegation of financial powers that maintains robust internal controls. The scheme of delegation should be reviewed annually, and at the next available board meeting when there has been a change in trust management or organisational structure that would impact the effectiveness of any existing scheme of delegation.”

[Principle four of the ATGC](#) highlights the importance of a “clear and well-documented delegation framework which provides sufficient detail and clear boundaries so that the delegations can be clearly understood and carried out.” A solid scheme of delegation will help trusts avoid duplication (with all the attendant workload issues involved), blurred lines of accountability and confusion about roles and responsibilities.

CST has published [Scheme of delegation checklists](#) which are designed to help trusts develop a clear and comprehensive scheme of delegation. The checklists draw directly from the [Academy trust governance guide](#) and [Academy trust handbook](#). The source guidance is directly referenced throughout. In setting out the suggested areas that should be included (with a particular focus on operational delivery and compliance), the checklists will help to guide the development of your scheme of delegation.

Effective practice is to draft the scheme of delegation with input from governance stakeholders. Once approved by trustees the scheme of delegation should be embedded within the operations of your trust. The scheme of delegation must be published on your trust’s website, and should be included in the induction of trustees, senior leaders and local governance.

The scheme of delegation must make clear what is delegated to the executive team, committees of the trust board and the local tier of governance. Note that *Academy trust handbook* states that:

- There should be a finance committee to which the board delegates financial scrutiny and oversight, and which can support the board in maintaining the trust as a going concern. (2.5)
- The academy trust **must** establish an audit and risk committee, appointed by the board. Trusts with an annual income over £50 million (based on their last audited accounts) **must** have a dedicated audit and risk committee; other trusts must have a dedicated audit and risk committee or can combine it with another committee, such as finance. (3.6)
- Employees of the trust should not be audit and risk committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions. (3.9)
- The chair of trustees should not be chair of the audit and risk committee. Where the finance committee and audit and risk committee are separate, the chair should not be the same. (3,10)



- The audit and risk committee should meet at least three times a year. (3.7)

Questions for the trust board

- Is there a published scheme of delegation that details the full range of delegations required by the *Academy trust handbook*? (See CST's [Scheme of delegation checklists](#))
- Has the scheme of delegation been formally approved by the trust board?
- Is the scheme of delegation reviewed at least annually?
- Is there a finance committee and is there evidence that the finance committee is effective in relation to financial scrutiny?
- Is there an audit and risk committee separate from the finance committee where the trust's income is over £50 million?



9. Local governance

CST's position is that a local tier of governance is essential to the effective governance of a complex organisation like a school. Trusts legitimately have different approaches to the local tier of governance, and so it is essential that trusts are clear about what functions of governance are delegated within their particular organisation. In some cases, the local tier of governance holds no formal decision-making functions and is advisory only.

In CST's view, a local tier of governance is essential because those involved in local governance can most effectively fulfil the following roles:

- They are the trust's ambassadors in the local community and indeed hold deep knowledge of the community and their specific needs. This knowledge and understanding is enormously valuable to the trust board.
- They can most readily fulfil the board's responsibility to involve parents, schools and communities to ensure decision-making is supported by meaningful engagement.
- They can play a very important role in relation to safeguarding and safety as they know their schools intimately and will, in many cases, have closer involvement in the school than the trust board.
- Through the voices of local stakeholders, they can play a very important role in assuring the school's overall performance and quality of education. This is particularly important in the context of Ofsted inspections. Ofsted's Education Inspection Framework recognises that trust governance functions can be quite different from those in a maintained school and inspectors will look to the trust's scheme of delegation and annual financial statements to understand delegated responsibilities. They should always speak to the chair of the trust board (or a delegate), but may also want to speak to other trustees and those involved in local governance depending on delegated responsibilities.

There are a range of names for local school committees. CST's guidance is that the naming of this tier of governance should reflect the functions which are delegated:

Name	Activities
Local advisory committees or councils	No delegated governance functions or powers – the advisory committee is tasked with meaningful engagement with parents and local communities
Local academy or school committees	Limited delegated governance functions (but no powers), for example scrutiny of standards, health and safety and safeguarding, and community engagement;
Local governing boards	A fuller set of delegated functions and some powers, which may include some decisions over school level finance.

CST's view is that it is not helpful to use the language of a 'governing board' if, in fact, no traditional 'governance' powers are delegated to local level. A trust board may use wholly



advisory bodies at local level, with a remit to engage meaningfully with parents and local communities. They can help the trust to understand community views and needs, and building relationship with other local civic actors.

Even where local school committees are wholly advisory, they are still a full and formal part of the governance structure, as determined by the trust's articles of association. The Department for Education's [Academy trust governance guide](#) expects the trust board (or any committee established by the trust board to exercise the governance functions on its behalf) to have very close links with any advisory committees and actively take into account and respond to the issue and risks they identify and escalate.

CST advises that it is useful to talk about 'the governance community' to refer to the entire governance structure. CST also advises that the local tier of governance and the delegations to them are kept under review as the trust grows.

In line with [principle five of the ATGC](#), the board should operate an effective two-way communication system between itself and the local tier to ensure the board is fully informed on key issues impacting on the school and the local tier are informed on relevant trust matters. This continuous feedback loop also ensures the trust board has oversight of the effectiveness of the local tier. CST's advice is that there should be a strong sense of a single governance community with a shared sense of mission, vision, values and culture, a shared sense of purpose and the execution of the strategy set by the trust board. Feedback loops might include any number of mechanisms:

- Routine reporting collated by the governance professional overseeing the governance community
- A trustee dedicated to each region in larger trusts (but making sure they remain in observer mode to retain separation between layers of governance)
- Joint strategy days or trust-wide governance conferences
- Chairs' forums attended by trustees and executive leadership
- Newsletters or other communications directly from the board to school communities
- Shared web platforms for trust-wide messaging and communication

CST's advice is that trust boards should exercise oversight of the work of their committees and should be able assess the relative strengths of each local school committee, including ensuring there is appropriate recruitment to the local committee in line with the trust's articles. This oversight includes taking steps to address any ineffectiveness at the local tier, including removing and replacing local committee members if necessary. This is particularly important where a trust board delegates governance functions, such as the scrutiny of educational performance or finances.



Questions for the trust board

- Are the delegations to the local tier of governance clear in the scheme of delegation and are these delegations reflected in terms of reference (where these exist)?
- Is there absolute clarity on the role and remit of each part of the governance structure and the relationship and reporting arrangements between them?
- Does everyone in the governance community (including trustees and those responsible for executing the local tier of governance) understand what governance functions, if any, are delegated? Where governance functions are not delegated, is there a clear remit for the local tier of governance?
- How does the trust board maintain relationships and communication with the local tier of governance? Are the processes for communication and oversight of the work of local governance by the trust board clear?



10. Succession, appointments, and diversity

Members appoint some trustees, and have the power to remove trustees. The trust's articles of association determine how many trustees are appointed by members. Usually, members appoint trustees by ordinary resolution, that is where at least 51% of the members are in favour. If the need to address vacancies does not tie in with any planned general meeting, appointments can be made on the basis of a written resolution.

The trust board themselves may have a role in recommending candidates to members. Once appointed, it is the responsibility of the chair of the trust board, working with the senior executive leader and governance professional, to provide a suitable induction to the board and the trust.

The [UK Corporate Governance Code](#)⁵ states that: *"There should be a formal, rigorous and transparent procedure for the appointment of new directors to the board. There should be a nomination committee which should lead the process for board appointments and make recommendations to the board."*

A nominations committee is an important part of an organisation's corporate governance structure – but this is not yet typical of school trusts.

Succession planning is the key to future-proofing the board and ensuring it remains fit for purpose. Governance professionals are key to ensuring there is a timely pipeline of trustee candidates. While there are no set guidelines on the optimal length of time that a chair should remain in role, good practice suggests that chairs should not overstay their time on the board, as this can hamper their ability to be objective. The nine-year milestone is the point at which the [UK Corporate Governance Code](#) stipulates that serious justification is needed to show that a non-executive director continues to be independent.

Trustee and member recruitment has become increasingly challenging. Given the skills, competencies and attitudes required for effective governance, recruitment needs to be open, robust, thoughtful and well-planned, casting as wide a net as possible and aiming for diversity of thought and perspective. This is reinforced in the DfE's [Academy trust governance guide](#).

As boards consider succession and appointments, it is essential that as a sector we address the issue of diversity. Too few of our boards are diverse. The Financial Reporting Council states that *"Diversity in the boardroom can have a positive effect on the quality of decision-making by reducing the risk of group think."* Similarly, [principle 6 of the ATGC](#) notes that the board's diversity 'supports more diverse, inclusive and culturally sensitive decision making.'

⁵ The Financial Reporting Council (FRC) sets the UK Corporate Governance and UK standards for accounting and actuarial work; monitors and takes action to promote the quality of corporate reporting; and operates independent enforcement arrangements for accountants and actuaries. As the Competent Authority for audit in the UK the FRC sets auditing and ethical standards and monitors and enforces audit quality.

With input from members, boards need to decide which aspects of diversity are important at trust level and on local committees, bearing in mind the communities being served. According to the FRC, diversity of personal attributes is also very important.

Questions for the trust board

- Has the board assessed what knowledge-domains and skillsets are required when recruiting trustees?
- Has the board reassessed its make-up as a result of growth/changes and emerging trends?
- Has the board taken account of the knowledge and technical skills required by its committees when recruiting trustees?
- Does the trust have a transparent appointment process for new trustees?
- Does the appointment process comply with the articles of association?
- How are conflicts of interest tested through the appointments process?
- How is consideration given to diversity, including diversity of thought, perspectives and views, during the appointment process?
- How does the board guard against becoming self-appointing and perpetuating?
- Is there a proper induction process for new trustees?

Governance: selected further reading and resources

CST (2024), [*Building diversity into our workforce strategies*](#)

CST (2024) [*Guidance on trustee induction*](#)

CST (2020), [*On Diversity – an essay collection*](#)

CST (2024), [*Next-gen governance*](#)

CST (2024) [*Role description: Trustee*](#)

CST (2024), [*Scheme of delegation checklists*](#)

Department for Education (2024) [*Academy trust governance guide*](#)

Financial Reporting Council (2018), [*The UK Corporate Governance Code*](#)



Domain three: Accountability

Accountability is one of the seven principles of public life. It is also [principle seven of the ATGC](#). We believe accountability is first and foremost the obligation of an individual and organisation to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner. Executive leaders hold their authority, power, legitimacy, and ability to make decisions because these are delegated by the trust board. The trust board is therefore the first point of accountability.

The trust board must be able to hold executive leaders to account. But in order to do so, they need to understand the systems of accountability within which they operate and to finely balance three different forms of accountability: democratic accountability, regulatory accountability, and professional accountability.

CST has written about this in our paper on [Intelligent systems of accountability](#). In this section, we explore the specifics of the domain of accountability.



11. Educational quality and improvement across the group of schools

Typically, the single charitable object of the school trust is to advance education for public benefit. Trusts are set up to do just one thing – run and improve schools to give children a better future. Therefore, the **high quality and inclusive education** must be at the heart of everything the board does.

The board must have sufficient education knowledge and ability to test underlying assumptions about the process of improvement and/or data to be able to challenge the executive effectively. It is therefore a good idea to have an educator on the board. Boards should also designate a 'link' or 'lead' trustee to provide specific strategic oversight of safeguarding and careers provision. SEND oversight can be provided either through a committee or a 'link' or 'lead' trustee.

The board will need to ensure that it has timely and clear information on education quality in a form and of a quality and comprehensiveness that will enable it to discharge its duties. The Department for Education's guide for governors and trustees, [Understanding your data](#), sets out seven themes:

Theme	Areas
Pupil numbers, attendance, and exclusions	• Pupil numbers • Pupil attendance levels (including persistent absence) • Pupil moves (including exclusion levels)
Attainment and progress	• Pupil education outcomes • Additional support for pupils with special educational needs or disabilities
Curriculum planning – staff and class sizes	• Curriculum planning (integrated with financial planning)
Financial management and governance	• Financial management • School and academy trust improvement activities • Long and short-term financial/ budget planning • Schedule of contracts • Estate management • Financial governance • Remuneration • Gender pay gap
Quality assurance	• Ofsted judgements • Audit ratings • Risk register • Equality • Other reviews
Safeguarding and well-being	• Safeguarding • Health and safety
The school community – staff, pupils, parents, and the governing board	• Human resource considerations • Staff views • Pupil views • Parent views

The quality of education in a school trust cannot exceed the quality of its teachers. CST believes that trusts are [knowledge-building organisations](#), with the capacity to do school improvement at scale across a group of schools. As such, the goal is for every teacher in every classroom to be as good as they can be in what they teach (the curriculum) and how they teach (pedagogy). For this to happen, the trust must mobilise for every teacher the best evidence from research.

The Department for Education [regional director](#) is the regulator that will hold the trust to account for the quality of education and pupil outcomes across the group of schools. Regional directors also make decisions about trust growth. The Department for Education has published the process for [commissioning high-quality trusts](#) using trust quality descriptions and associated evidence.

Questions for the trust board

- Does the board have sufficient education expertise to hold the executive team to account for the quality of education in its widest sense (for example, attendance and exclusions, attainment and progress, curriculum and assessment, safeguarding and wellbeing)?
- Is information on education quality in a form and of a quality and comprehensiveness that will enable it to discharge its duties?
- Does the trust have a published school improvement strategy that is understood at board level?
- Is there a strong, evidence-informed professional development programme across the group of schools and evidence of improvements in the quality of teaching?
- Does the board know and understand the organisation's curriculum philosophy, the rationale for this and the importance of a broad and balanced curriculum?
- Does the trust have a broad, ambitious and truly inclusive approach to education, supported by expert and rigorous, specific teaching for children with SEND?
- Does the trust help foster a positive safeguarding culture at each school, underpinned by robust systems and policies that keep children safe?
- Does the trust provide effective careers education and guidance at each school, providing opportunities for increased employer engagement and work-related learning?

12. Fiduciary duty and financial governance

The word "fiduciary" comes from the Latin word fiducia, or "trust." So, a fiduciary is someone in a position of trust. A fiduciary duty is held by trust boards and individually by trustees as the board collectively and the individuals are trustees of public money. Specific duties include:

- **The duty of care:** This applies to the way the board makes decisions that affect the future of the organisation. The board has a duty to fully investigate all possible decisions and how they may impact the organisation.
- **The duty to act in good faith:** Even after it reasonably investigates all the options before it, the board has the responsibility to choose the option it believes best serves the interests of the organisation.
- **The duty of loyalty:** This means the board is required to put no other causes, interests, or affiliations above its allegiance to the organisation. Board members must refrain from personal or professional dealings that might put their own self-interest or that of another person or business above the interest of the organisation.

If a member of a board of directors is found to be in breach of their fiduciary duty, they can be held liable in a court of law. Fiduciary duty goes to the heart of ethical behaviour and good financial governance.

[Academy trust handbook](#) (paragraphs 2.1 and 2.2) states that "Trustees and management **must** maintain robust oversight of the academy trust" and "The trust **must** take full responsibility for its financial affairs, stewardship of assets and use resources efficiently to maximise outcomes for pupils." [Principle four of the ATGC](#) states, 'Where the board has delegated functions, it needs to implement suitable financial and related controls, performance oversight and reporting arrangements to make sure it oversees these matters effectively.'

Financial governance includes:

- **Financial oversight** – setting and monitoring the budget, cash management and investments.
- **Basic control principles** – including ensuring delegated financial authorities are complied with, maintaining appropriate segregation of duties and good financial discipline.
- **Spending and procurement decisions** – including ensuring spending has been for the purpose intended and there is probity in the use of public funds, spending decisions represent value for money, internal delegation have been applied, a competitive tendering policy is in place and applied, and the procurement rules and thresholds in the [Procurement Act 2023](#) and [Find a Tender service](#) are observed.
- **Management and mitigation of risk** – see below, Domain Three: Accountability, element 13.



All of these are set out in detail in part two of the [Academy trust handbook](#). The DfE is the regulator that holds the trust to account for financial governance and the use of public money. Part six of the [Academy trust handbook](#) and the [Financial support and oversight for academy trusts guidance](#) set out the intervention powers of the DfE as the regulator.

The DfE will send a '[Dear Accounting Officer](#)' letter at least annually to academy trust accounting officers, covering issues such as developments in the accountability framework and ESFA findings. Accounting officers **must** share it with their members, trustees and chief financial officer and senior leadership team, arrange for the board to discuss it and take action, if necessary, to strengthen financial controls.

Questions for the trust board

- Does the board know and understand its fiduciary duties?
- Does the board have in place financial policies and procedures including mechanisms for ensuring financial accountability?
- Does the board have strong internal control processes to ensure propriety and value for public money?
- Is there evidence of good financial oversight by the board?
- Are basic control principles in place?
- Are spending and procurement decisions compliant and well-managed?
- Does the board know how the financial health and efficiency of the organisation compares with similar organisations locally and nationally?
- Does the board routinely consider the DfE '[Dear Accounting Officer](#)' letter and taken any appropriate action to strengthen financial controls?

13. Audit, risk, and internal control

All trusts must have a programme of **internal scrutiny** to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively. Part three of the [Academy trust handbook](#) sets out the requirements for internal scrutiny. The DfE has also published supplementary guidance on [Internal scrutiny in academy trusts](#).

The trust's audit and risk committee oversees, directs and approves the trust's programme of internal scrutiny to ensure that risks are being addressed appropriately, and must report to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

The trust **must** maintain a risk register. Overall responsibility for risk management, including ultimate oversight of the risk register, **must** be retained by the board, drawing on advice provided to it by the audit and risk committee. As underscored in [principle four of the ATGC](#), a sound risk assurance and management framework covers the full operations and activities of the trust, not only financial risks. HM Treasury has excellent guidance on the [Management of risks – Principles and Concepts](#). This includes exploration of a 'three lines of defence' model of risk management.

Principles of internal scrutiny as set out in the Academy trust handbook

Internal scrutiny must:

- be independent and objective – for example it must not be performed by members of the senior leadership or finance team
- be conducted by someone suitably qualified and experienced and able to draw on technical expertise, as required
- be timely, with the programme of work spread appropriately over the year so higher risk areas are reviewed in good time
- include regular updates to the audit and risk committee by the internal scrutineer(s) carrying out the programme of work, incorporating:
 - a report of the work to each audit and risk committee meeting
 - an annual summary report to the audit and risk committee for each year ended 31 August outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress.

Under the Companies Act 2006, trusts **must** appoint an **external auditor** to give an opinion on whether their annual accounts present a true and fair view of the trust's financial performance and position (appointment being by the members, other than where the Companies Act permits the trustees to appoint). Part four of the [Academy trust handbook](#) sets out the requirements for annual accounts and external audit.

The board, with advice from the audit and risk committee, **must** ensure there is an appropriate, reasonable and timely response by the trust's executive team to findings by external auditors, taking opportunities to strengthen systems of financial management and control.



The DfE is the regulator that holds the trust to account for audit, risk and internal control. The DfE also receives and analyses the trust's annual accounts.

Questions for the trust board

- Are the trust board's arrangements for internal scrutiny secure and compliant?
- Is there a written risk register maintained by the board covering the full operations and activities of the trust, not only financial risks?
- Does the board review the risk register frequently and conduct a full review at least annually?
- Does the programme of internal scrutiny include financial and non-financial items and informed by the risk register?
- Is the programme of work spread appropriately over the year so higher risk areas are reviewed in good time?
- Are there adequate internal controls over risk?
- Is sufficient time allocated on the board agenda to enable a full discussion of the work of the audit and risk committee?
- How has the board assessed whether the audit committee has a balance of skills and competencies necessary to fulfil its remit?
- Are there clear procedures and triggers in place to elevate risks to the board quickly?
- Does the board ensure that there is an appropriate, reasonable and timely response to findings by external auditors?

14. Setting remuneration

The [Academy trust handbook](#) says that the board **must** ensure its decisions about levels of executive pay follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities. No individual can be involved in deciding their remuneration. The DfE holds trusts to account for levels of executive pay. The DfE has a supplementary guidance on [setting executive salaries](#) for trusts and the *Academy trust handbook* now contains heightened requirements around executive pay setting processes and board approvals.

There is a wider set of considerations relating to pay policy within the organisation. CST has published guidance for trust boards on [setting executive pay](#) containing a useful set of principles, in partnership with Browne Jacobson.

We work with Brightmine to create an annual independent [salary survey of executive leadership roles in school trusts](#), including comparisons with other sectors based on a subset of their pay data. Their full benchmarking service includes granular data across the number of employees and pupils on roll within a trust, as well as regional and other contextual data.

Questions for the trust board

- How does the board ensure its decisions about levels of executive pay (including salary and any other benefits) follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities?
- Is there sufficient documentation setting out the rationale behind the decision-making process, including whether the level of pay and benefits reflects value for money?
- Is any individual involved in deciding their remuneration – or any person or trustee who may have conflicts of loyalty to an individual?
- How is executive remuneration aligned with the trust's wider pay policy?
- How does the trust's pay policy address pay gaps and pay ratios between the different quartiles of the workforce, including action to reduce the gender pay gap?

15. External accountability

Part of the core definition of governance in our introduction to this guidance is about how account is rendered. One of the seven principles of public life is accountability, and accountability is also [principle seven in the ATGC](#). In both governance and executive roles, we must be comfortable submitting ourselves to external scrutiny.

External accountability is complex. It is enacted by different regulators and the inspectorate. We have made clear how the DfE and regional directors exercise regulatory accountability in the sections above. Here, we will focus on Ofsted.

Ofsted is an inspectorate and not a regulator. However, the outcome of a school inspection may result in regulatory action. This can include increased oversight and support by the DfE through its regional directors and Regional Improvements for Standards and Excellent (RISE) service, or the transfer of a school to another trust – referred to as structural intervention.

Ofsted reports may also form part of the evidence base for commissioning decisions by Department for Education regional directors under the [Commissioning high-quality trusts](#) guidance.

Ofsted inspects schools under a published [education inspection framework](#). The framework recognises that governance in trusts and maintained schools can be very different. Trusts are a single legal entity and decisions made by individual academies and those by trust leaders cannot easily be separated. Trusts retain overall legal responsibility for all matters in the school, even where matters are delegated. Some functions that a governing body in a maintained school would carry out may be done by the trust's leaders or staff.

Inspectors will want to meet those responsible for governance during an inspection; for academies this means the board of trustees and the governance professional. Inspectors will want to have at least one meeting with the chair of the board (or their delegate) and as many trustees as are available. Inspectors may also speak to local governance and representatives of the diocese, sponsor or other relevant responsible body, if the trust's scheme of delegation gives them specific responsibilities for any areas relevant to inspection evaluation areas. The chief executive, trust chair, and where available other trustees, should also attend the final feedback meeting at the end of an inspection.

Inspectors will seek evidence of the impact of the board of trustees and any delegated local governance, including the extent to which they:

- are knowledgeable about their statutory duties and carry them out effectively
- support and challenge the school's leaders effectively, using the best methods to assure themselves of the quality and impact of different aspects of the school's work
- understand their role as the responsible body, where applicable, in considering and addressing leaders' workload and well-being

- assure themselves that leaders have an accurate understanding of the school's context and are prioritising the actions for improvement that will have the greatest impact on pupils
- ensure that systems for monitoring and quality assurance are fair, valid and constructive, and provide leaders and staff with high-quality feedback to inform continuous improvement
- hold leaders to account appropriately and effectively for the impact of the school's professional learning programme for staff
- hold leaders to account appropriately and effectively for the school's support and provision for disadvantaged pupils, those with SEND, those who are known (or previously known) to children's social care, and those who may face other barriers to their learning and/or well-being

The board should also ensure that those responsible for local governance understand their responsibilities and prepare for the inspection of each individual school. Meetings with trustees or those involved in local governance will normally take place without school or trust leaders present so it is important that those responsible for governance at every level have secure independent knowledge of their trust and schools.

At the level of the trust, Ofsted can ask to undertake [summary evaluations](#) of multi-academy trusts. A summary evaluation explores the extent to which the trust is delivering a high quality of education and improving pupils' achievement. Ofsted consider key information about the trust, which includes recent inspection outcomes, discussions with trust leaders, and survey visits to some schools in the trust. The aim of the summary evaluation is to give the trust recommendations on aspects that could be improved, and to recognise where the trust is having a positive impact on the quality of education that its schools provide.

The summary evaluation is not a statutory inspection process, but an outcomes letter will be sent to the trust and the Department for Education, and published on the Ofsted website.

Questions for the trust board

- Does the board know and understand the purpose, nature and processes of formal accountability and scrutiny (for example, DfE regional directors and Ofsted) and what is required by way of evidence?
- Does the board embrace the principle of transparency and is it comfortable submitting itself to external scrutiny?
- Does the board consciously and purposefully build relationships with regulators?
- Does the board ensure swift action is taken in relation to regulatory activity and findings?

Accountability: selected further reading and resources

Charity Commission (2023), [Investing charity money: a guide for trustees](#)



CST (2022), [*A good life: Towards greater dignity for people with learning disability*](#)

CST (2023), [*Five principles of inclusion*](#)

CST (2021), [*Intelligent systems of accountability*](#)

CST (2021), [*Knowledge building – school improvement at scale*](#)

CST (2021), [*Setting executive pay*](#)

CST (2024), [*Role description: Trustee*](#) (contains link trustee role descriptions)

CST with BlueSky and Browne Jacobson (2022), [*Performance review of executive leaders - Understanding the challenge; winning hearts and minds*](#)

Department for Education (2021), [*Understanding your data: a guide for school governors and academy trustees*](#)

Department for Education (2021), [*Internal scrutiny in academy trusts*](#)

Department for Education (2019), [*Setting executive salaries: guidance for academy trusts*](#)

Department for Education (2016-2022) [*School resource management*](#) - guidance and tools on financial health and efficiency

ESFA (2015-2023) and DfE, '[*Dear Accounting Officer*](#)' letters

HM Government (2020), [*Principle of Risk – Management and Concepts*](#)

HM Treasury (2021), [*Audit and Risk Assurance Committee Handbook*](#)

Ofsted (2023), [*Education Inspection Framework*](#)

Ofsted (2023), [*Summary evaluations of multi-academy trusts*](#)

Domain four: Compliance and care

CST believes that we need a strongly theorised concept of intelligent regulation which goes beyond compliance. We have written about this in our paper on [*Intelligent systems of accountability*](#).

However, there are key areas where compliance is essential. This section does not offer a comprehensive overview of all forms of compliance, rather it explores the most important areas of charity and company law and those areas where persistent problems arise. The DfE's [*Academy trust governance guide*](#) has a helpful final section setting out a compilation of compliance requirements, however it cautions that it is not a complete list of duties and responsibilities.



16. Acting within powers

Trustees have legal duties under both company law as directors and under charity law as trustees. As such they are required in law to act within powers. This is one of the most important differences between the proposition of governing a maintained school and the proposition of governing a trust.

The following tables sets out a summary of a trustee's legal duties. Trustees should also read the Charity Commission's guidance, [The essential trustee – what you need to know, what you need to do](#). Although these legal duties of trustees may seem vast, it is important to remember that acting sensibly and making good decisions in line with the Principles of Public Life and the *Academy trust governance code* will take the board a long way towards ensuring that they are acting within powers.

Company law duty	Examples of what this means in practice:
Duty to act within powers <i>Obey the constitution (the articles) and decisions taken under it.</i>	Trustees must act in accordance with the trust's articles of association and use their powers only for the purposes for which they were given. They must therefore be familiar with the articles. If in doubt, they should seek advice.
Duty to promote the success of the company <i>Act in the trust's best interests, taking everything you think relevant into account.</i>	All trustees are aware and fully informed of their duty to promote the success of the trust; the trust keeps a full record any discussions and factors which were considered when taking key decisions. The trust considers the matters such as the likely consequences of any decision in the long term, the need to foster relationships, the impact of the trust's operations on the community. The trust ensures these factors are addressed where relevant in board reports – therefore members of the executive team writing reports for the board will also need to be aware of this duty.
Duty to exercise independent judgement <i>You remain responsible for the work you give to others.</i>	In practice this duty is not infringed by a trustee if they act: • in accordance with an agreement or previous collective board decision which has duly been entered into by the trust; • in a way authorised by the trust's constitution. Please note that this duty does not confer a power on the directors to delegate, nor does it prevent a director from exercising a power to delegate conferred by the articles, provided that its exercise is in accordance with the articles (see duty to act within powers above).
Duty to exercise reasonable care, skill and diligence <i>Be diligent, careful and well informed about the trust's affairs. If you have any special skills or experience, use them.</i>	A trustee must exercise: • the same general knowledge, skill and experience as would be reasonably expected from a 'reasonably diligent person' carrying out the functions carried out by the director; and • the same general knowledge, skill and experience that the trustee has. This two-stage test means that a trustee must exercise their duty to a minimum standard and that the standard is raised if they have specific

Company law duty	Examples of what this means in practice:
	skills or expertise. For example, a trustee with accountancy skills would be expected to exercise greater scrutiny of the accounts.
Duty to avoid conflicts of interest <i>Avoid situations where your interests conflict with those of the trust. When in doubt disclose potential conflicts quickly.</i>	A trustee must avoid situations in which they have or could have an interest (direct or indirect) that conflicts with, or could conflict with, the trust's interests. This duty will apply to the exploitation of any property, opportunity or information regardless of whether the company is able to take advantage of that property, opportunity or information. The duty will not be infringed if the trustee cannot reasonably be expected to know that a conflict of interest has arisen. Where the duty to avoid conflict arises, this may potentially be discharged by authorisation by or disclosure to the board. Trusts must obtain the DfE's prior approval for contracts for the supply of goods or services to the trust by a related party agreed on or after 1 September 2023 where a contract or other agreement exceeds £40,000 in the same financial year ending 31 August.
Duty not to accept benefits from third parties <i>Be honest and remember that the trust's property belongs to it and not to you or the members.</i>	Trusts should have a policy and register on the acceptance of gifts, hospitality, awards, prizes or other benefits that might compromise their judgment or integrity. For example, this might deal with offers of hospitality from suppliers that could be seen to influence the award of contracts.
Duty to declare an interest in a proposed transaction or arrangement	A trustee has a duty to declare to the board the nature and extent of any interest in a proposed transaction with the trust. The declaration must be made before the trust enters into the transaction. This duty only applies to an interest where the trustee is or ought reasonably to be aware of the interest. As above, trusts must obtain prior approval for certain related party transactions.

Charity law duty	Examples of what this means in practice:
Ensure your trust is carrying out its purposes for public benefit	Trustees should know: • what your trust can and can't do within its purposes – what you want it to achieve • how your trust is fulfilling its purposes and benefiting the public • what difference your trust is really making
Comply with the articles of association and the law	• Be familiar with your articles of association • Keep up to date with filing accounts, returns and any changes to your trust's registration details • Be aware of other laws that apply to your trust It is not about being an expert - but you do need to take reasonable steps to find out
Act in your trust's best interests	• Make balanced, informed decisions recognising and dealing with conflicts of interest • Be prepared to question and challenge

Charity law duty	Examples of what this means in practice:
	Accept majority decisions It's not about preserving the trust for its own sake or serving personal interests
Ensure your trust is accountable	- Meet legal accounting and reporting requirements - Be able to show that your trust complies with the law and is effective - Be accountable to members and others with an interest in the trust - Ensure that staff are accountable to the board - Welcome accountability as an opportunity not a burden
Manage your trust's resources responsibly	- Manage risks, protecting assets (reputation) and people - Ensure regularity and propriety in use of the trust's funds, and achieve economy, efficiency and effectiveness – the three key elements of value for money - Make sure the trust has (and follows) appropriate controls and procedures - Deal with land and buildings - Be responsible for, and to, staff
Act with reasonable care and skill	- Use your knowledge, skills and experience - Decide when you need advice - Prepare for meetings - Get the information you need (financial, management) - Be prepared in case something does go wrong

Questions for the trust board

- Is the board corporately, and are trustees/directors individually, cognisant of their duties to act within powers?
- Does the board ensure that it complies at all times with its articles of association?
- Does the board seek independent advice where necessary?
- Does the board corporately and do individual trustees individually act always in the trust's best interests, putting these above any other personal or organisational interest?
- Does the board welcome accountability as an opportunity not a burden?



17. Regularity, propriety and value for money

Regularity is the requirement for all items of income and expenditure to be dealt with in accordance with legislation, the terms of the trust's funding agreement, the [Academy trust handbook](#), and compliance with internal trust procedures. Regularity also means spending public money for the purpose intended by Parliament.

Propriety is the requirement to deal with expenditure and receipts in accordance with Parliament's intentions and the principles of parliamentary control. This covers standards of conduct, behaviour and corporate governance. Propriety means meeting high standards of public conduct, including robust governance and the relevant parliamentary expectations, especially transparency. It includes fairness, integrity, avoidance of private profit from public business, even handedness in the appointment of staff, avoidance of waste and extravagance

The term 'regularity and propriety' is often used to convey the idea of probity and ethics in the use of public funds – that is, delivering public sector values.

Value for money is "achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of resources, the avoidance of waste and extravagance, and prudent and economical administration." ([Academy trust handbook](#)). A key objective is to achieve value for money not only for the trust but for taxpayers generally, as set out in [principle one of the ATGC](#).

- Economic: Obtaining an outcome for the least possible input of resources.
- Efficient: Obtaining the best possible outcome for the resources input.
- Effective: Obtaining the desired outcome.

Questions for the trust board

- How does the board ensure that funding is spent for the purpose intended by Parliament?
- How does it ensure that expenditure and receipts are in accordance with Parliament's intentions?
- What mechanisms are in place to ensure the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the trust?



18. Conflicts of interest and related party transactions

Each individual trustee has a legal duty to act only in the best interests of their charity rather than their own personal interest. Conflicts of interest, including those arising from related party relationships and transactions, can hinder this legal duty, leading to decisions that are invalid or open to challenge, damaging the trust's reputation or public trust and confidence in trusts generally. Avoiding and/or managing these conflicts and declaring them through a publicly available register of interests is therefore of paramount importance.

The DfE has published a [good practice guidance](#) on managing conflicts of interest, related party relationships and related party transactions.

Conflicts of interest

In line with [principle three of the ATGC](#), the board should understand how real and perceived conflicts of interests and conflicts of loyalty can affect the trust's decision making, performance and reputation.

According to the [Charity Commission](#), the term '**conflict of interest**' is often used to describe one of the following situations:

- Where a person is in a position where their duty as a trustee may conflict with any personal interest they may have.
- Where a person may not be able to act properly in a particular capacity because of a person or matter with which they are connected (connected person).
- Where a person may profit personally from decisions made in their capacity as trustee or from knowledge gained through holding such a position.

In broad terms, connected person means family, relatives or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee's spouse, unmarried partner or civil partner, children, siblings, grandchildren and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights.

The Charity Commission also identifies **conflicts of loyalty**: this means a particular type of conflict of interest, in which a trustee's loyalty or duty to another person or organisation could prevent the trustee from making a decision only in the best interests of the charity.

These conflicts of interest arise because, although the affected trustee does not stand to gain any benefit, the trustee's decision making at the charity could be influenced by his or her other interests. For example, a trustee's loyalty to the charity could conflict with his or her loyalty to:

- the body that appointed them to the charity
- the membership or section of the charity that appointed them to trusteeship
- another organisation, such as their employer
- another charity of which they are a trustee
- a member of their family



- another connected person or organisation

The test is always that there is a conflict of interest if the trustee's other interest could, or could be seen to, interfere with the trustee's ability to decide the issue only in the best interests of the charity. Some conflicts of loyalty arise because a trustee has a competing legal obligation or duty to another organisation or person. Others result from conflicting loyalties which trustees owe or may feel towards family, friends or other people or organisations who are part of the trustee's network. A conflict of loyalty could also arise where the religious, political or personal views of a trustee could interfere with the ability of the trustee to decide the issue only in the best interests of the charity.

Where the CEO (or equivalent) also serves as trustee, they should be excluded from discussions about salary and performance and others where there may be a conflict of interest.

The [Academy trust handbook](#) sets out the requirements for keeping a register of any relevant business and financial interests, for (as a minimum) members, trustees, local governors and senior employees.

Related party relationships and transactions

A related party is a person or a close member of that person's family related to a person who has control, joint control, or significant influence over the trust or is a member of its key management personnel.

The [Academy trust handbook](#) sets out that trusts must be even-handed in their relationships with related parties by ensuring that:

- trustees comply with their statutory duties as company directors to avoid conflicts of interest, not accept benefits from third parties, and declare interest in proposed transactions or arrangements.
- all members, trustees, local governors of academies and senior employees complete the register of interests (in accordance with sections 1.45 to 1.48 of ATH).
- no member, trustee, local governor, employee or related individual or organisation uses their connection to the trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust.
- there are no payments to trustees by the trust unless permitted by the articles, or by authority from the Charity Commission, and comply with any relevant agreement with the Secretary of State for Education. Trusts will need to consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest
- the Charity Commission's approval is obtained where the trust believes a significant advantage exists in paying a trustee for acting as a trustee
- payments provided to the persons referred to in section 5.44 of the *Academy trust handbook* satisfy the 'at cost' requirements.



It also requires it clear that a trust **must** obtain DfE's prior approval, using DfE's related party [online form](#), for contracts and other agreements for the supply of goods or services to the trust by a related party agreed on or after 1 September 2023 where a contract or other agreement exceeds £40,000 in the same financial year ending 31 August.

Novel, contentious or repercussive transactions

Trustees should be mindful of transactions that may be considered novel, contentious or repercussive:

- **Novel transactions:** those of which the trust has no experience, or are outside its range of normal business.
- **Contentious transactions:** those that may cause debate or criticism of the trust by Parliament, the public or the media.
- **Repercussive transactions:** those likely to set a precedent and cause pressure on other trusts or the broader public sector to take a similar approach and hence have wider financial implications, including where a trust's proposal could cause additional costs to arise for other parts of government.

These transactions require approval by the DfE before they are agreed and before the transaction occurs. The DfE's [good practice guidance](#) that contains illustrative examples of these transactions.

Questions for the trust board

- Does the board maintain a register of interests and loyalty and avoid or manage these honestly and purposefully?
- Does the board have effective mechanisms for addressing conflicts of interest and conflicts of loyalty where these arise?
- Does the board know and understand the regulatory requirements related to related party transactions and novel, contentious and repercussive transactions?
- Is the trust compliant in relation to seeking approval for and/or reporting related party transactions and novel, contentious and repercussive transactions?



19. Safety and safeguarding, welfare and wellbeing

The board **must** ensure the safety and safeguarding of pupils and the safety of staff. As noted in [principle three of the ATGC](#), this goes beyond just compliance to ensuring the trust promotes a *culture* in which everyone feels safe and respected. All boards should have 'link' or 'lead' trustee to take specific strategic responsibility on safeguarding.

Statutory guidance sets out what schools must do to comply with the law. The statutory guidance [Keeping children safe in education](#) (KCSIE) sets out the legal duties schools and trusts **must** follow to safeguard and promote the welfare of children and young people under the age of 18 in schools and colleges.

Trust boards and indeed all those responsible for governance must ensure that all staff read part one of the guidance, which is available as a standalone document.

All staff should receive appropriate safeguarding and child protection training (including online safety) at induction. The training should be regularly updated. In addition, all staff should receive safeguarding and child protection updates, as required, and at least annually, to provide them with relevant skills and knowledge to safeguard children effectively, including online safety.

'Regulated activity in relation to children: scope' describes work that a [barred person](#) must not do.

The Department for Education has also published guidance on [disqualification under the Childcare Act 2006](#).

Ofsted has conducted a [review of sexual abuse in schools and colleges](#) which includes recommendations for schools and trusts. Trust boards should be aware of this review and considering the recommendations accordingly. Further detailed information about sexual violence and sexual harassment is included in *KCSIE*.

Boards must also ensure that the organisation complies with statutory health and safety legislation. The [Health and Safety Executive](#) (HSE) is the statutory regulator for health and safety. Schools and trusts **must** comply with guidance published by the regulator. The Department for Education also has a suite of guidance documents on [health and safety in schools](#).

Questions for the trust board

- What assurance mechanisms and processes are in place in relation to compliance with safeguarding and health and safety regulations and requirements?
- How does the board ensure the promotion of the welfare and wellbeing of children, young people and staff?
- How does the board ensure safeguarding and safety risks are managed, mitigated and tested as part of internal audit?
- How does the board assure itself that staff and volunteers receive appropriate, regular safeguarding and child protection training?
- Does the board maintain strategic oversight of safeguarding processes and working between schools, colleges and local multi-agency partners?
- How does the board assure itself that appropriate arrangements are in place with regard to sexual abuse?
- Has the board received assurance that the new RSHE (relationships, sex and health education) curriculum is in place across all schools in the trust, including in teaching about sexual abuse, cyber bullying and pornography as well as healthy relationships and consent?
- Does the board assure itself that safeguarding arrangements include listening to the voices of children when reporting sexual abuse whether occurring within or outside school and whether/ how victims receive timely and appropriate support?

20. Care, skill and diligence – and the bond of trust

The board corporately, and trustees individually, must be diligent, careful and well informed about the trust's affairs. Specifically, as set out previously, under company law a trustee must exercise:

- the same general knowledge, skill and experience as would be reasonably expected from a 'reasonably diligent person' carrying out the functions carried out by the director; and
- the same general knowledge, skill and experience that the director has.

This two-stage test means that a trustee must exercise their duty to a minimum standard and that the standard is raised if that trustee has specific skills or expertise. For example, a trustee with accountancy skills would be expected to exercise greater scrutiny of the accounts.

This company law duty is also reflected in charity law where you are required to act with reasonable care and skill. This means using your knowledge, skills and experience; deciding when you need advice, preparing for meetings, getting the information you need and being prepared in case something does go wrong.

Beyond the legal duties, there is a higher moral duty to exercise care, skill and diligence in relation to the children, young people, families and communities your trust serves. CST draws its mission statement from Kofi Annan's words in the introduction to the [*State of the World's Children \(2000\)*](#):

"There is no trust more sacred than the one the world holds with children. There is no duty more important than ensuring that their rights are respected, that their welfare is protected, that their lives are free from fear and want, and that they grow up in peace."

Questions for the trust board

Perhaps the most important three questions of all.

- Does the board in all its decisions and actions exercise reasonable care, skill, and diligence?
- Does the board put the charitable object of advancing education at the heart of governance?
- Does the board understand and accept the bond of trust it holds with children?

Compliance: selected further reading and resources

Charity Commission (2018), [*The Essential Trustee – What you need to know, what you need to do.*](#)

Charity Commission (2022), [*Conflicts of interest – A guide for charity trustees*](#)

Charity Commission (2022), [*Trustee expenses and payments*](#)

CST (2024), [*Role description: Trustee*](#) (contains safeguarding link role description)

Department for Education, [*Keeping Children Safe in Education*](#)

Department for Education (2014–2021), [*Health and safety in schools*](#)



Department for Education (2025), [*Managing conflicts of interests, related party relationships and related party transactions: good practice guide*](#)

Department for Education (2025), [*Related party transactions: information for academy trusts*](#)

Department for Education (2025), [*Related party transactions: glossary of terms*](#)

Department for Education (2021), [*Risk Protection Arrangement \(RPA\) for schools*](#)

Department for Education (2025), [*Academy trust governance guide*](#)

Ofsted (2021), [*Review of sexual abuse in schools and colleges*](#)

HM Treasury (2025), [*Managing Public Money*](#)



The importance of assurance and evaluation in board effectiveness

School trusts are complex and agile organisations. The proposition of governance should therefore be a live conversation and boards should monitor and improve their performance continually. Board effectiveness is [principle five of the Academy trust governance code](#). The board provides a key role in ensuring the trust thrives. The tone the board sets through its leadership, behaviour, culture and overall performance is critical to the trust's success. It is important to have a rigorous approach to the board's conduct, performance and development.

CST believes that there should be a requirement on boards in relation to assurance. The Financial Reporting Council's Governance Code recommends that FTSE 350 companies have external assurance in the form of an externally facilitated board evaluation at least every three years. This Charity governance code and Academy trust governance code also recommend that large charities undertake external evaluations every three years.

We believe a **three-year cycle of board assurance** should be an essential part of strong, strategic governance:

- **Years one and two** – internal assurance conducted by a governance professional or similar role or through peer review.
- **Year three** – external assurance facilitated by a credible organisation with strong quality assurance arrangements to validate the review of governance. This is particularly important before the board undertakes any significant change.

Ann Gravells' (2020) definition of quality assurance may be helpful: "Quality Assurance is a system to monitor and evaluate a service that should identify and recommend measures to make improvements to standards and performance." She is also clear that assurance seeks to avoid problems, stabilise, and improve services by monitoring them on an ongoing basis. Gravell says this is about "having systems in place to ensure that the teaching, learning and assessment processes are valid and reliable, and that they have been undertaken with integrity." There is an imperative implicit in this definition that assurance should translate into action.

Boards may wish to consider a wider approach to assurance than just external reviews of governance:

Review of people and individual roles

- 360° review of the chair
- Individual trustee review
- Review of the governance professional role
- Skills audit

Review of systems and policies

- Compliance with the [Academy trust handbook](#)



- A clear cycle of policy review and approval, in line with statutory requirements, but also timed carefully to be mindful of workload
- Compliance with online publication requirements
- Review of your own governance documents, including terms of reference and handbooks

Governance reviews

- Internal reviews conducted by a governance professional or peer review
- External reviews of governance – we recommend that these are conducted by a credible third-party organisation with sound processes for quality assurance.

It may be helpful to end where we started: ultimately the task of governance in school trusts is to advance education for public benefit. In doing so, we must enact a sacred duty of holding trust on behalf of children. This is a task bigger than one person – bigger than the chief executive alone, because we are all fallible. We all have moments of blindness alongside our capacity for insight. It is a task so important that it requires a group of people: the trust board. And that board must be responsible for its own improvement.

Selected further reading and resources

[Academy Trust Governance Code](#)

[Charity Governance Code](#)

Department for Education (2025), [*Academy trust governance guide*](#)

Department for Education (2025), [*External reviews of governance: guide for schools and academy trusts*](#)

CST support for trust boards

CST offers a wide range of support for trusts, including online guidance documents, training courses, conferences, and bespoke consultancy. All of our services are backed by CST's experience as the national sector body and member organisation for school trusts, and a recognised thought leader regularly called on by government, policy makers, and trust leaders. They have all been specifically tailored from the ground-up for academy trusts.

Full details are available on the [CST website](#); below is a selection of the most relevant opportunities for trust boards.

Chairing a school trust board

The [Chairing a school trust board programme](#) is a unique opportunity for new and aspiring trust chairs, vice chairs, and experienced chairs wishing to evolve their trust's governance towards a [Next-gen governance](#) approach. Through six 90-minute online seminars, the course explores all aspects of the role of the chair, with an additional opportunity to benefit from one-to-one mentoring with an experienced governance consultant to embed your learning and discuss how to navigate your unique leadership context. It features expert input from a broad range of guest speakers, as well as giving delegates the chance to share and benefit from each other's experiences. This programme is practical, inspiring, and appropriate for chairs of trusts of all sizes.

Governing a school trust programme

CST's [Governing a school trust programme](#) is a four-part trustee development programme for newly appointed trustees, experienced trustees wishing to refresh their understanding of trust governance, governance professionals and trust members. Based on this guidance and the Academy Trust Governance Code, it leads you, step by step, through the principles and practice of high-quality governance and effective stewardship to help you to make a positive, impactful contribution to your board.

The role of trust members

Members in school trusts play an often overlooked, but important role in trust governance. Our [Role of trust members](#) seminar explores both the theory of the member role and its practical application, by taking an in-depth look at the guidance around members' purpose, powers and responsibilities and discussing case studies to support delegates to understand what this looks like in practice. You will explore how members can work effectively with the board of trustees, including the information they should receive, how to establish channels of communication, managing separation of layers, and discussing circumstances when intervention may or may not be appropriate.

The role of the SEND trustee

The SEND trustee role can be instrumental in ensuring high quality, inclusive education. The [Role of the SEND trustee](#) seminar draws upon CST's thought leadership publications [A good life](#) and



[*Five principles for inclusion*](#) to support SEND lead trustees to develop inclusive culture, receive robust assurance of the trust's specialist provision, and to champion the needs of pupils. Together we'll look at compliance as a starting point and explore how trustees can make sure there is an equitable quality of education for all children within their trust. The oversight required by the [*Academy trust governance guide*](#) has become essential in the context of increasing recognition of special educational needs, financial and resourcing pressures on trusts, changing policy requiring greater inclusivity in mainstream settings, and the potential development of resource bases and in-school units.

The role of the safeguarding trustee

Oversight of safeguarding across a trust is a unique undertaking. Both [*Keeping children safe in education*](#) and the [*Academy trust governance guide*](#) stipulate that all boards should appoint a trustee to take on specific strategic oversight of its safeguarding arrangements. Building on CST's pioneering paper [*Safeguarding at scale*](#) and our work around [*safeguarding peer reviews*](#), the [*Role of the safeguarding trustee*](#) seminar covers the principles of effective safeguarding across a trust and how the safeguarding lead trustee can develop a effective relationship with the trust designated safeguarding lead (DSL). You will explore how they can work in partnership to provide the trust board with robust assurance that appropriate safeguarding arrangements are in place, are effective, and are applied consistently and reliably across every school in the trust.

The role of the careers trustee

Successful and rewarding careers are one of the ultimate goals of education, but are we preparing our pupils for the workplace? The [*Academy trust governance guide*](#) states that all boards in trusts that contain a secondary school should appoint a trustee to take on specific strategic oversight of its careers education. The [*Role of the careers trustee*](#) seminar looks at the statutory careers guidance for schools and explores how the careers lead trustee can provide assurance that the trust is setting a clear vision and strategy around careers education, helping prepare students for the workplace, providing high-quality advice and meeting Gatsby benchmarks.

The role of local governance in a school trust

The [*Role of local governance in a school trust*](#) course is designed to complement a trust's own induction process for those at the local tier of governance. Trusts have many different approaches, some relatively traditional, others innovative – however all agree that local governance needs to be effective and meaningful and that hearing the local voice is essential. Local committees universally serve as ambassadors to and champions of the local community, holding primary responsibility for meaningful stakeholder engagement, acting as 'eyes on the ground' for the board around key areas such as safeguarding and SEND and, increasingly, playing a central role in developing strong and trusting civic and community partnerships.



Masterclasses in trust leadership

Our [Masterclass series](#) offers deep understanding of a topic for trust leaders, with actionable information for executive leaders and the chance for trustees to hone their knowledge in areas they lead on for their trust. Courses typically run across two or three online seminars.

Topics covered include:

- Artificial intelligence in education
- Digital strategy
- Crisis communication
- Central services design
- Contract management
- Digital strategy
- Effective layers of governance
- Estates management
- Mergers
- Leadership
- People strategy
- Procurement
- Risk assurance
- Safeguarding and partnerships
- Shared services practice
- Sustainability

Mentoring service for trust chief executives and chairs

The trust chief executive is a pivotal – and sometimes lonely role – in a school trust. The relationship between the CEO and the chair is a vital one in providing a sounding board, but leaders can also benefit from the opportunity to speak to someone independent and with first-hand experience of the role.

Our [mentoring services](#) offers tailored and trusted space for chief executives to build their effectiveness as a system leader, through a bespoke year-long mentoring programme. Our mentors have direct experience of leading some of the country's most prominent trusts, with advice and guidance backed by CST's expertise.

Our [one-to-one mentoring](#) for trust chairs is designed to help navigate the sometimes tricky balance of being engaged but not operational, and coping with the demands of a wide range of stakeholders. Your mentor will look at the structure of your trust in theory, as well as in practice – including observing a trust board meeting, to gain a fuller understanding of the trust board dynamics, culture, and relationships with key strategic partners such as the governance professional, chief executive, and other trustees.



Trust development services for governance

Our [trust development services](#) offer bespoke reviews and training for school trusts, focused exclusively on the academy sector and backed by CST's recognised expertise, frameworks, and guidance.

Areas covered include:

- [External reviews of governance \(ERG\)](#)
- [Post-ERG progress support](#)
- [Reviews of governance structures and schemes of delegation](#)
- [Support for executive performance review](#)
- [Facilitation for vision and strategy development meetings](#)
- [Speakers for trust conferences and events](#)

Our services are provided by a carefully selected team of expert consultants who draw on their own extensive knowledge and the daily experience of CST as the national organisation and sector body for school trusts.



Annex A: Regulatory frameworks

The [*Academy trust handbook*](#) is guidance with which all academy trusts must comply as a condition of their funding agreement. It is a regulatory document.

Academy trusts are exempt charities meaning that they are regulated by the Secretary of State for Education instead of the Charities Commission. The Academies Act 2010 deems that all academies approved by the Secretary of State are automatically charities and that all existing academies became exempt charities when the Secretary of State for Education is their Principal Regulator.

The Department for Education has entered a [memorandum of understanding](#) with the Charity Commission which sets out the protective and support powers of the Commission and a summary of the Secretary of State's key responsibilities. The Charity Commission's [regulatory and risk framework](#) sets out its regulatory approach.

Trustees also have the usual [company law duties](#) and are required to comply with the relevant laws.

The Secretary of State delegates regulatory powers to the DfE and regional directors.

The regional directors use the [*Commissioning high-quality trusts*](#) guidance to make commissioning decisions. Regulatory decisions about academies causing concern are made using the [*Support and intervention in schools*](#) statutory guidance. The statutory safeguarding guidance is [*Keeping children safe in education*](#) and [*Working together to safeguard children*](#).

The board must consider [the academy trust accounting officer letters](#) from the chief executive of the DfE.

Separately from the regulator, Ofsted is an independent *inspectorate* that is responsible for judging the quality of education in schools at a point in time on behalf of parents, the taxpayer and parliament. Ofsted is not a regulator of schools.

Other regulatory guidance

Charity Commission

The Charity Commission has a wide range of [guidance](#) much of which is relevant to academy trusts and supports trustees to fulfil their charity law duties.

Health and Safety Executive

[The Health and Safety Executive](#) (HSE) is Britain's national regulator for workplace health and safety. It prevents work-related death, injury and ill health. There are a range of [statutory instruments](#) owned and enforced by HSE and local authorities.

The Health and Safety Executive publishes [guidance which is directly relevant to schools](#).





Confederation
of School Trusts

