



# MAT meggers A guide for academy trust leaders and trustees

November 2021

# Introduction

### What is a merger?

A merger combines two or more separate organisations into one single and distinct legal entity. This remains a fairly new concept for the English education system, characterised by a few large, well-established MATs merging with smaller, less successful MATs. However, it is likely that voluntary mergers between MATs will become more prevalent as the education landscape continues to develop.

Mergers can provide a positive and strategic step forward to help secure the realisation of an organisation's vision. The process can be lengthy and complex; not all come to fruition. A successful merger will result in one clearly established organisation with a singular, distinct identity, ethos, culture and set of values.

### Government drive for strong trusts

In 2021, the government set out a vision "for every school to be part of a family of schools in a strong multi academy trust". It was stated the government would be investing in "strong multi academy trusts... so they can support even more schools", with a focus on the "strongest leaders" taking responsibility for more schools.

# Preparing to merge

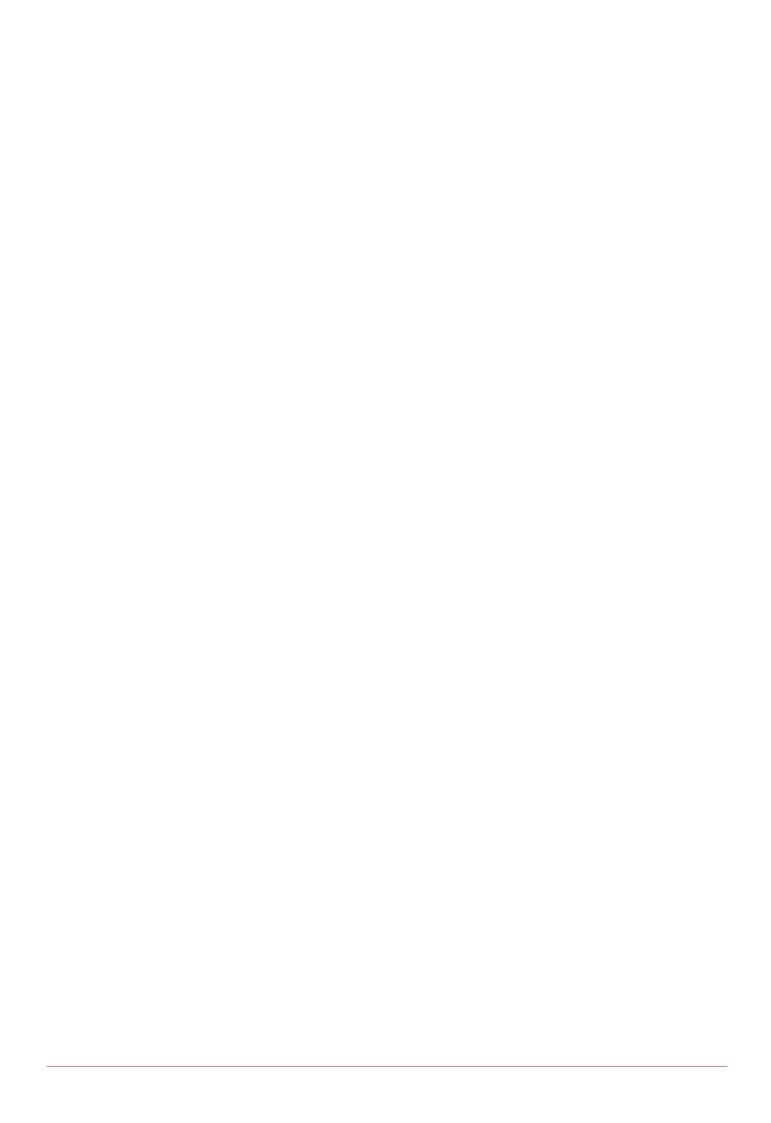
The governance of a newly merged organisation will likely look different to the existing arrangements for each trust. It is important to ensure that all involved in the governance of both trusts understand the proposals, how it will affect them and the potential benefts – an effective communication strategy between the tiers of governance is key to any successful merger.

## 2.1 Understanding roles and responsibilities

A secure understanding of roles and responsibilities is fundamental; all parties involved in the merger should have a shared understanding of where decision-making lies.

The trust's chief executive of cer (CEO) usually instigates the earliest discussions with the board and will drive the merger process forward. Their role as part of the merger is wideranging but will include:

- Shaping the rationale to merge and ensuring this is clearly articulated to all stakeholders.
- Identifying, approaching and engaging with potential merger partners alongside the chair.
- Allocating and overseeing individuals involved with the project, including trust staf and any external advisers.
- Anticipating and addressing opportunities and barriers



# Implementing the merger

Due diligence is undertaken to: ■ obtain suf cient information about the joining schools to decide whether the project should proceed

When conducting a consultation, the general law on public consultation applies and so the trust must operate the process in accordance with the principles set out below.

The consultation should:

- Be undertaken when proposals for the subject of the consultation are at a formative stage and concluded before any fnal decision is taken.
- Provide enough information to those consulted to enable them to comment intelligently on the proposals.
- Allow enough time for those consulted to enable them to properly consider the proposals – we recommend a consultation period of four to six weeks which should take place during term time.
- Ensure that consultation responses are specifically considered by the decision maker (the trustees) when deciding whether or not to implement the proposals.

The easiest way to consult and provide the relevant information to stakeholders is via the trust and academies' websites. In addition, you may wish to send letters to the parents of pupils, briefy outlining the proposal. We also recommend that meetings are held with trust staf.

Responses must be formally considered before the final decision to proceed with the transfer is taken. If a significant number of responses are received, these should be summarised in a report and made available to the trust board.

### E. Execute the legal transfer

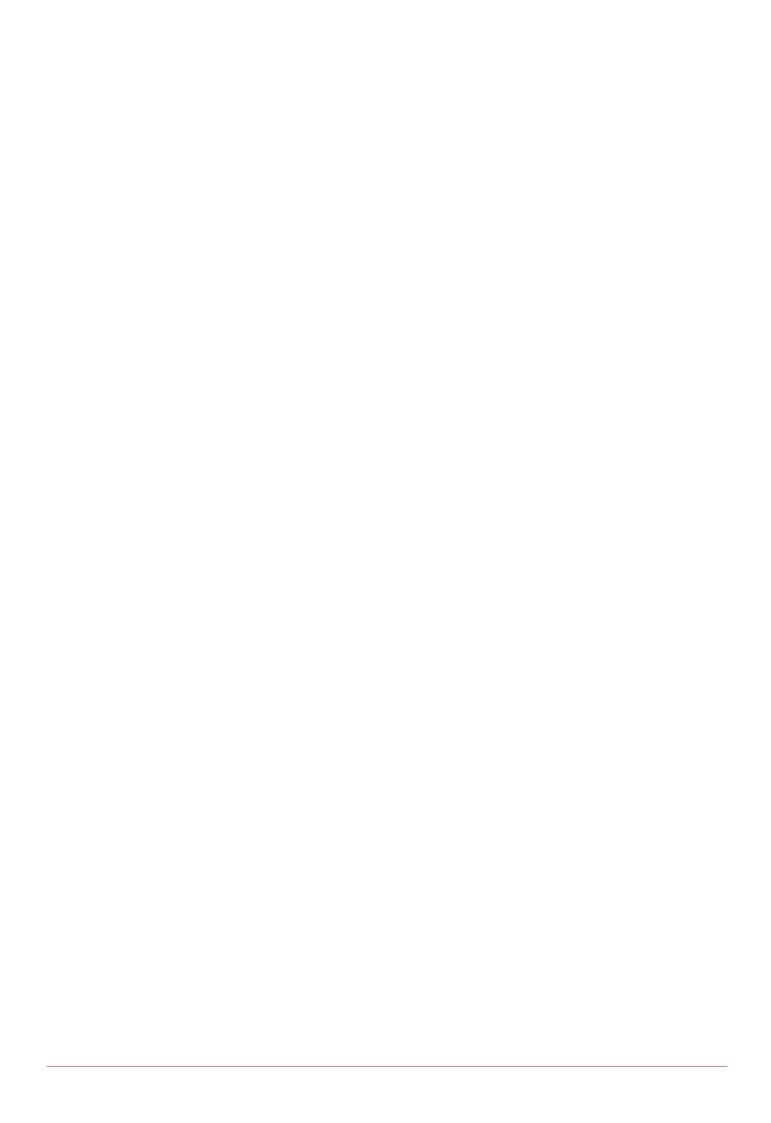
At this stage, the board will need to instruct a legal adviser(s) to support with the legal mechanics of the transfer. Ensure you appoint legal advisers who are education sector specialists and who have experience in supporting academy trust mergers.

The transfer of any academy from one trust into another involves the transfer of the business and assets of the academy/ies from one legal entity into another. That means all of the assets, property,rsmCthe as8.1 m be transfeered to the receiting trust andtThathisdocuemensed in on g rlementcommonlya rsfeered toa 8Se transfer agreemen.n

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retain two individual identities in order to retain local or regional presence, this could ultimately halt the trust's development as a single organisation.

It may be more appropriate to seek to establish a whole new brand and identity for the trust. Taking a fresh approach through the creation of a new identity will help the newly merged trust develop its own traditions and story more quickly.

### Winning hearts and minds

The ability to communicate well with stakeholders not just through the (relatively short) consultation process, but throughout the integration period is key.

The most successful mergers place long-term public beneft at the heart of the process. If what is communicated has a narrow focus on structural organisational advantages through fnancial gain and economies of scale, then the likelihood is that you will lose people along the way.

Those most invested in either organisation need to be able to relate to the purpose and goals of the newly merged trust communicating these goals and involving those individuals in development of a new strategy is likely to be a more efective approach.

A successful merger builds a culture of transparency that continues throughout the legal process and beyond. The merging of two organisations is likely to make some people involved in the leadership and management of either organisation nervous and vulnerable. Consistent communication is key to dealing with this.

The real business of integrating as one organisation is only just beginning. The trust board and CEO should ensure the newly merged organisation continues to bring people together - pupils, staf and those governing - to help those who have come from two separate organisations to adapt and fourish.

# Further reading and support

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