

Academy Trust Handbook 2024 Changes

Introduction

On 31 July 2024, the ESFA published the Academy Trust Handbook 2024 (ATH 2024).

The provisions within it come into effect from 1 September 2024.

A full copy of the ATH 2024, along with the ESFA's schedule of "musts" can be found at www.gov.uk/guidance/academy-trust-handbook/academy-trust-handbook-2024-to-print

What has changed?

- The ATH has remained a shorter and sharper document, at 64 pages this year compared to 61 pages last year (down from 80 pages in 2021) following feedback to the ESFA that a period of greater stability would be welcomed. There is however a small number of changes aimed at simplification and strengthening controls and oversight.
- There continues to be a schedule of "musts" abbreviated into one Excel list, referenced to the fuller guidance in the ATH.
- The key changes this year have been summarised below.

Roles and Responsibilities

Part 1 (page 12)	Reminding trusts the importance of digital and technology standards (1.16).
Part 1 (page 18)	Moved content on register of business interests in this section from part 5 of the handbook (1.45 to 1.48).

Suggested Action:

The Board of Trustees should refer to the DfE's digital and technology standards to ensure they make informed decisions about technology and also ensure they remain compliant with the ATH with regard to the keeping of their register of interests.

Main Financial Requirements

Part 2 (page 21)	Emphasising that trusts' reserves policy includes a clear plan for managing reserves (2.8).
Part 2 (page 25)	Clarifying the position around when trusts must approach the ESFA for electric vehicle salary sacrifice (EVSS) schemes (2.31).

Suggested Action:

The Board of Trustees should continue to ensure they have short-term and long-term financial plans being prepared and monitored and have an up-to-date policy for holding reserves which includes a clear plan for managing them. The appropriate disclosure is needed within the trust's financial statements.

From 1 September 2024 ensure you obtain pre-approval from the ESFA before entering into any new EVSS schemes or accepting any further employees into existing schemes.

Internal Scrutiny

Part 3 (page 32)	Explaining which internal scrutiny options to be applied for trusts with annual revenue over £50m (3.16).
Part 3 (page 32)	Clarifying qualifications and/or experience for trustees and peer reviewers (3.17).

Suggested Action:

The Board of Trustees must continue to ensure its trust delivers internal scrutiny in the way most appropriate to its circumstances. Various options are included within the ATH.

From 1 September **2025**: The requirement for trusts with an annual income above £50m has gone from a "should" for having an in-house internal auditor and/or a bought-in internal audit service to a 'must'. Where applicable, the Board of Trustees should plan ahead to ensure compliance from 1 September 2025 onwards.

The Board of Trustees should ensure that those carrying out the programme of internal scrutiny meet the qualification and/or experience criteria, as per the ATH.

Delegated Authorities

Part 5 (page 41)	Confirming that trusts will be able to enter into finance leases where the lease category appears on the DfE approved list (5.25 and 5.26).
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Suggested Action:

The Board of Trustees should make themselves aware of what is now included on the DfE's approved list (www.gov.uk/government/publications/leasing-for-academy-trusts/changes-to-leasing-agreements-for-academy-trusts) from 1 September 2024, whilst ensuring the trust remains compliant by obtaining ESFA's prior approval for any finance leases which are not on the list.

The Regulator and Intervention

Part 6 (page 53)	Clarifying that trusts take appropriate action to meet DfE's cyber security standards (6.14).
Part 6 (page 53)	Extended the list of examples where a Notice to Improve (Ntl) may be issued to include management of school estate (6.16).

Suggested Action:

The Board of Trustees must continue to be aware of the risk of cybercrime and trusts should take appropriate action to meet the DfE's cyber security standards (www.gov.uk/guidance/meeting-digital-and-technology-standards-in-schools-and-colleges/cyber-security-standards-for-schools-and-colleges).

Also ensure awareness of the additional item on the DfE's example list of when a Ntl may be issued on governance grounds, being: "trustees and the executive failing to manage their school estate and maintain it in a safe working condition strategically and effectively".