

Schedule of Musts 2025

Fully compliant

These are the requirements in the Academy Trust Handbook brought together into one list: the 'musts'. It abbreviates these requirements and so cannot be used as a substitute for the full handbook.

References to the relevant sections are included, which must be read in full. This tool is an entirely optional resource, and there is no requirement to submit it to DfE.

Paragraph	Requirement	In Place: - Fully compliant - Working towards - Not in place	Comments Action to take
Top 10 'musts' for chairs and other trustees			
1.11 and 1.12	Apply highest standards of conduct and ensure robust governance, comply with charitable objects, with duties as company directors, with charity law and the funding agreement.	Fully compliant	
2.3	Ensure the board of trustees meets at least three times a year.	Fully compliant	
2.4	Approve a written scheme of delegation of financial powers.	Fully compliant	
2.10	Ensure the board approves a balanced budget for the financial year and minutes their approval	Fully compliant	
2.19 and 2.20	Share management accounts with the chair of trustees monthly and consider when the board meets, taking action to maintain financial viability	Fully compliant	
2.27 and 2.28	Ensure decisions about executive pay follow a robust evidence-based process, that is documented in an agreed pay policy, reflecting the individual's role and responsibilities, and that the approach to pay is transparent, proportionate and defensible.	Fully compliant	
3.6 to 3.13	Appoint an audit and risk committee (either dedicated or combined with another committee) to advise on the adequacy of the trust's controls and risks.	Fully compliant	
4.4	Submit audited accounts to DfE by 31 December	Fully compliant	
4.14	Ensure an appropriate, reasonable and timely response to findings by auditors, taking opportunities to strengthen financial management and control	Fully compliant	
5.34 - 5.54	Manage conflicts of interest, be even-handed with related parties, and ensure goods or services provided by them are at no more than cost, beyond the limits in this handbook	Fully compliant	
Roles and responsibilities			
	Adhere to The 7 principles of public life	Fully compliant	

Paragraph	Requirement	In Place: - Fully compliant - Working towards - Not in place	Comments Action to take
1.1	Have the skills, knowledge and experience to run the trust	Fully compliant	
1.3	Have at least three members but should have five or more	Fully compliant	
1.4	Have suitability checks in place for members to ensure they are not subject to a direction under section 128 of the Education and Skills Act 2008	Fully compliant	
1.5	Not have members as employees, nor have members occupy staff roles on an unpaid voluntary basis	Fully compliant	
1.21, 1.37 and 2.7	Ensure regularity, propriety and value for money	Fully compliant	
1.21	Trustees to take ownership of financial sustainability and ability to operate as a going concern	Fully compliant	
1.24	Ensure committees contain a majority of trustees	Fully compliant	
1.25	Not have de facto trustees or shadow directors	Fully compliant	
1.27	Include a review of the trust's governance structure and board composition in the governance statement when producing audited accounts for the first time	Fully compliant	
1.28	Appoint a senior executive leader (should be principal or chief executive)	Fully compliant	
1.29 to 1.38	Appoint an accounting officer (the senior executive leader) with responsibility for regularity, propriety and value for money and for assuring the board about compliance with the funding agreement and handbook	Fully compliant	
1.35	Demonstrate in the governance statement how the trust has secured value for money	Fully compliant	
1.35 and 4.12	Include a statement on regularity, propriety and compliance, signed by the accounting officer, in the audited accounts	Fully compliant	
1.39	Appoint a chief financial officer to lead the finance department	Fully compliant	
1.40	Have appropriately qualified and/or experienced finance staff	Fully compliant	
1.42	Appoint a governance professional (clerk to the board)	Fully compliant	

Paragraph	Requirement	In Place: - Fully compliant - Working towards - Not in place	Comments Action to take
1.43	Be transparent with governance arrangements	Fully compliant	
1.44 and 1.49	Publish the trust's governance arrangements in its governance statement and in a readily accessible form on its website	Fully compliant	
1.45 - 1.48	Capture in an up to date register of interests the relevant business and financial interests of (as a minimum) members, trustees, local governors and senior employees [1.45] and interests of other individuals as described in 1.47	Fully compliant	
1.49	Publish relevant business and financial interests of members, trustees, local governors and accounting officers	Fully compliant	
1.50	Ensure governance documents are available for public inspection	Fully compliant	
1.52	Arrange DBS checks as appropriate	Fully compliant	
Main financial requirements			
2.1	Maintain robust oversight of the trust	Fully compliant	
2.2	Take responsibility for financial affairs, stewardship of assets and use resources efficiently	Fully compliant	
2.6	Have sound internal control, risk management and assurance processes	Fully compliant	

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2.7 and 2.24	Establish a control framework that includes: ensuring delegated financial authorities are complied with, and segregation of duties maintained co-ordinating the planning and budgeting process discipline in financial management, including managing debtors, creditors, cash flow and monthly bank reconciliations planning and oversight of capital projects including those relating to estates safety management and oversight of assets including maintenance of a fixed asset register regularity, propriety and value for money reducing fraud and theft independent checking of controls, systems, transactions and risks a competitive procurement procedure	Fully compliant	
2.8 and 2.9	Prepare and monitor financial plans to ensure the trust remains a going concern and ensure rigour and scrutiny in budget management	Fully compliant	
2.11	Ensure budget forecasts are accurate, based on realistic assumptions and reflective of lessons learned from previous years	Fully compliant	
2.15 and 2.16	Submit a budget forecast return to DfE, approved by the board of trustees	Fully compliant	
2.17	Notify DfE within 14 days if proposing a deficit revenue budget for the current financial year which it cannot address after taking into account unspent funds from previous years, as this would be non-compliant with the funding agreement and this handbook	Fully compliant	
2.18	Prepare management accounts every month.	Fully compliant	
2.21	Manage cash position robustly and avoid becoming overdrawn	Fully compliant	
2.22	Have a cautious approach to investments in line with the handbook principles	Fully compliant	
2.23	Show that public funds have been used as intended by Parliament	Fully compliant	
2.29	Publish on trust's website the number of employees whose benefits exceeded £100k, in £10k bandings	Fully compliant	

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2.30	Ensure senior employees' payroll arrangements meet HM Treasury's tax requirements	Fully compliant	
2.31	Approach DfE to seek approval when entering into a new electric vehicle salary sacrifice scheme or accepting any further employees onto an existing electric vehicle salary sacrifice scheme.	Fully compliant	
2.32	Not use trust's funds to purchase alcohol for consumption, except where it is to be used in religious services	Fully compliant	
2.35 and 2.36	Manage risks, including contingency and business continuity planning and maintain a risk register. Board to retain oversight of risk and conduct a full review of risk register at least annually.	Fully compliant	
2.37	Have adequate insurance or be a member of DfE's risk protection arrangement	Fully compliant	
2.39	Implement reasonable risk management audit recommendations	Fully compliant	
2.40 to 2.44	Have published procedures for whistleblowing and respond properly and fairly	Fully compliant	
2.45	Provide DfE or its agents with information of sufficient quality to meet funding requirements	Fully compliant	
2.46 to 2.50	Notify DfE via Get information about schools within 14 days of changes in information about members, trustees, local governors, chair of trustees, chairs of local governing bodies, accounting officer and chief financial officer	Fully compliant	
Internal scrutiny			
3.1 to 3.5	Check financial and non-financial controls and risks	Fully compliant	
3.13	Ensure information submitted to DfE affecting funding is accurate and compliant	Fully compliant	
3.14 to 3.17	Ensure checks are conducted by someone independent, suitably qualified and experienced	Fully compliant	
3.14 and 3.15	Provide internal scrutiny reports to the audit and risk committee and make the findings available to all trustees promptly	Fully compliant	
3.19	Confirm in the governance statement which internal scrutiny option has been applied and why	Fully compliant	
3.20	Provide annual summary of internal scrutiny to DfE by 31 December, and provide other internal scrutiny reports on request	Fully compliant	

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Annual accounts and external audit			
4.1 to 4.4	Produce audited accounts, publish on the trust's website by 31 January and file with Companies House	Fully compliant	
4.5 and 4.6	Appoint an external auditor in writing, for the annual accounts	Fully compliant	
4.6	Put any additional services from the external auditor in a separate letter of engagement	Fully compliant	
4.7	Provide in the audit contract for the removal of external auditors	Fully compliant	
4.8	Notify DfE immediately of the removal or resignation of external auditors, and the reasons	Fully compliant	
4.9	Prepare information, at DfE's request, for the sector annual report and accounts	Fully compliant	
4.13	Include a review of the accounting officer's statement on regularity, propriety and compliance within the external auditor's remit, and address the auditor's conclusions on regularity jointly to the trust and DfE	Fully compliant	
4.15	Audit and risk committee to review the external auditor's plan, annual accounts, audit findings, management response and effectiveness of the external auditor and produce annual report of conclusions	Fully compliant	
Delegated authorities			
5.1 to 5.3	Obtain DfE's prior approval for transactions beyond the trust's delegated limits	Fully compliant	
5.4	Make financial disclosures in the annual accounts in line with this handbook	Fully compliant	
5.5	Refer novel, contentious and/or repercussive transactions to DfE for prior approval	Fully compliant	
5.8	For staff severance payments, consider the following before committing: whether the proposed payment is in the trust's interests whether payment is justified and value for money, based on a legal assessment review the level of settlement, which must be less than the legal assessment of what the relevant body (e.g. employment tribunal) is likely to award	Fully compliant	

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5.10	Obtain DfE's prior approval for the non-contractual/non-statutory element of a staff severance payment of £50,000 or more (gross, before deductions)	Fully compliant	
5.11	Not accept a settlement for a staff severance payment unless satisfying the conditions in this handbook	Fully compliant	
5.12	Obtain prior approval for special staff severance payments of £100k or more which include a non-statutory/non-contractual element, and/or where the employee earns over £150k	Fully compliant	
5.13	Ensure confidentiality clauses do not prevent an individual's right to make disclosures in the public interest	Fully compliant	
5.14	For compensation payments, base on appraisal, including legal advice, ensuring value for money	Fully compliant	
5.15	Obtain DfE's prior approval for non-contractual/non-statutory compensation payments of £50,000 or more	Fully compliant	
5.17	Obtain DfE's prior approval for other types of special payments	Fully compliant	
5.18 and 5.19	Obtain DfE's prior approval for writing off debts and losses, guarantees, letters of comfort and indemnities beyond limits in this handbook	Fully compliant	
5.22 and 5.23	Obtain DfE's prior approval, before acquiring and disposing of fixed assets beyond limits in this handbook and ensure disposal achieves best price	Fully compliant	
5.25 to 5.27	Obtain DfE's prior approval for leases beyond limits in this handbook	Fully compliant	
5.30	Consider the funding needs of individual academies if pooling GAG, and have an appeals mechanism	Fully compliant	
5.30	Not pool PFI funding	Fully compliant	
5.31	Ensure gifts by the trust have the decision documented, and have regard to propriety and regularity	Fully compliant	
5.32	Obtain DfE's prior approval before borrowing, including overdrafts but excluding finance leases on the DfE approved list, and only use credit cards for business expenditure	Fully compliant	
5.35	Ensure no member, trustee, local governor, employee or related individual or organisation uses their connection to the trust for personal gain	Fully compliant	
5.35	Ensure no payments to trustees unless permitted by the articles and comply with the terms of any agreement with the Secretary of State	Fully compliant	

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5.35	Obtain Charity Commission prior approval for paying a trustee for acting as a trustee	Fully compliant	
5.37	Ensure the board chair and the accounting officer manage their relationships with related parties to avoid real and perceived conflicts of interest	Fully compliant	
5.38 and 5.39	Recognise that related party transactions may attract public scrutiny and require sufficient disclosure in annual accounts to support accountability and transparency	Fully compliant	
5.40	Report all contracts and other agreements with related parties to DfE in advance	Fully compliant	
5.41 to 5.43	Obtain DfE prior approval for contracts and other agreements with related parties beyond limits in this handbook subject to the exceptions in 5.41	Fully compliant	
The regulator and intervention			
6.2	Arrange for letters to trusts' accounting officers from DfE about the accountability framework to be discussed by the board and, where appropriate, strengthen the trust's systems	Fully compliant	
6.3	Provide DfE with access to books, records, information, explanations, assets, premises and staff to assist with its audits	Fully compliant	
6.4	Provide DfE with permission for any third party to provide requested information where there are concerns or an investigation is ongoing at a trust	Fully compliant	
6.5	Retain records for at least six years after the period to which funding relates	Fully compliant	
6.6	Send DfE a financial management and governance self-assessment for new academy trusts	Fully compliant	
6.6	Submit school resource management self-assessment checklist to DfE annually	Fully compliant	
6.9	Be aware of the risk of fraud, theft and irregularity and address with proportionate controls and appropriate action	Fully compliant	
6.10	Notify DfE of fraud or theft over £5,000, individually or cumulatively, or of any value where unusual or systematic	Fully compliant	
6.14	Be aware of the risk of cybercrime and put in place proportionate controls and appropriate action where a cyber security incident has occurred	Fully compliant	
6.15	Not pay any cyber ransom demands	Fully compliant	

Paragraph	Requirement	In Place: - Fully compliant - Working towards - Not in place	Comments Action to take
6.18	Comply with a Notice to Improve	Fully compliant	
6.19	Waive delegated authorities and obtain DfE approval of certain transactions described in this handbook if the trust has an Ntl	Fully compliant	
6.20	Publish the Ntl on the trust's website until it is lifted	Fully compliant	
6.28	Cooperate with NAO and provide help, information and explanation	Fully compliant	