MAT mergers

A guide for academy trust leaders and trustees

Updated November 2025

Guidance

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Contents

About this guide

This guide outlines the process for merging two multi academy trusts (MATs). It has been jointly developed by the National Governance Association and Browne Jacobson. Academy trust leaders and trustees can use this guide to:

- explore why and how mergers are relevant to the education system in England today
- understand how mergers can and should be approached in order to be successful
- develop a shared understanding between trustees and trust leaders of the merger process and what's involved

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Introduction

A merger is the amalgamation of two or more separate organisations into one single and distinct legal entity. In recent years, MAT growth has been a prominent feature of government education policy with the number of MATs increasing and certain regions in the country more academised than others. Voluntary mergers between MATs have been one avenue for growth and have become more prevalent. Despite the new Labour government being less prescriptive with its position on MAT size, there is some evidence to suggest that merger activity is continuing to grow.

Increasingly, small academy trusts are choosing to join (or merge) with bigger academy trusts. Merging represents a proactive step towards the future success of a MAT and the academies it maintains. We are seeing an increase in media attention focused on certain high profile MAT mergers which create sizeable MAT structures.

The decision to merge will be one of the biggest and most important decisions a MAT board makes. Mergers can provide a positive and strategic step forward to help realise an organisation's vision and long-term sustainability. The process can be lengthy and complex; not all come to fruition. A successful merger will result in one clearly established organisation with a single distinct identity, strategy, ethos, culture and values.

Each merger is unique and so there are no definitive timescales. Taking into account the initial 'courting' period, governance conversations and due diligence, which could be undertaken at the same time as the legal process, a merger could be completed in as little as 6-12 months. However, many will require significantly more time, with early relationship-building taking several years in some cases.

Re-brokering

Voluntary collaborative mergers are different to a re-brokered transfer. Re-brokering is usually a form of intervention, as instructed by a Regional Director, that requires a trust to transfer one or more of its academies to another academy trust.

For more information, read Browne Jacobson's FAQs on academy re-brokerage.

1. Why merge?

The rationale for merging with another MAT has a direct impact on whether or not the merger (and subsequent benefits) comes to fruition. While there may be several motivating factors, the benefits for pupils should always remain the central focus. Trustees should begin any merger conversation with a clear articulation of purpose and the intended impact on education quality and delivery.

Reasons for merging may include:

- sustainable growth through consolidation
- economic sustainability
- school improvement needs and sharing educational expertise and best practice
- structural changes to personnel, strengthening central support and leadership succession planning
- future proofing and organisational resilience
- developing or extending the central team
- improving governance through greater strategic oversight
- responding to external factors such as falling pupil numbers
- local and wider community benefits

Merging for growth

For many MATs, the prospect of merging forms part of the wider discussion around the trust's growth strategy. Deciding whether to grow is an ongoing consideration for all trust boards, helping to support the trust's development and sustainability. Decisions around growth should be purposeful, planned and proportionate to a trust's current capacity.

See NGA's guidance on developing a growth strategy for more information.

Merging for the sake of growth rests on a presumption that schools will benefit from being part of a larger organisation. While this rationale does have merit from evidence-based research on the benefits offered by a MAT structure, each case still needs careful consideration as other factors influence a trust's success beyond its size and scale. All growth, whether through a merger or from taking on additional single schools, carries both opportunity and risk. Trust boards need to decide what is best for their pupils – taking on a large number of schools simultaneously as part of a merger may stretch existing capacity and fail to realise the intended benefits.

NGA's research on the trust system explores MAT size and the benefits of growth in more detail.

2. Preparing to merge

The initial steps that trusts take before embarking on the merger process can greatly influence the success of the project.

When a merger is being considered, it may be helpful to draw on the support of an external adviser during the preliminary stages. An experienced adviser can help clarify the strategic rationale, anticipate common pitfalls and offer objective insight that supports balanced and well-informed decision-making.

Understanding roles and responsibilities

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

Chief executive officer (CEO)

The trust's CEO usually instigates the earliest discussions with the board and will drive the merger process forward. Their role as part of the merger is wide-ranging but will include:

- shaping the rationale to merge with another organisation 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 central trust staff and any external advisers
- anticipating and addressing opportunities and barriers throughout the process, ensuring a robust risk management process is in place
- ensuring strong communication and consultation throughout the process
- planning and overseeing the systems, management and staff integration process, ensuring that the trust's values and culture become embedded

Managing conflicts of interest

In some MATs, the CEO is a trustee on the board. This may bring into question conflicts, particularly where the individual is intended to take on the role of CEO in the newly merged organisation.

In such a scenario, it would not be practical to exclude the CEO entirely from board meetings where the merger is discussed because their role is pivotal to driving the merger forward. However, the CEO would need to absent themselves and abstain from any meetings where the trust board is voting on whether to proceed with the merger. The same principles apply should a conflict arise with any other member of the senior leadership team.

Most importantly, the board should acknowledge that there is a conflict and ensure that the merits of the merger are presented by the executive team objectively.

Trustees

The trust board needs to seek assurances that the merger benefits the MAT, aligns with the trust's strategic plan and serves to further the trust's objects for the benefit of the pupils of the trust.

The trust board will agree to commencing the process of initial discussions and instigate due diligence. We recommend that a joint working party is established by the organisations to work through some of the details of the proposals. Initially, this group may consist of a small number of trustees from each trust, later extending to include executive teams and, if relevant, a representative of the MAT's religious authority. Again, an external adviser can be beneficial in facilitating and supporting these conversations.

Regular updates for the full board on progress will be essential – these updates could take the form of reports from the joint working party, and some MATs choose to have the process as a standing agenda item.

Trustees should also update the members and academy committees (local governing bodies) as appropriate. The governance structure of a newly merged organisation will likely look different from the existing arrangements for each trust. Therefore, it is important to ensure that those involved understand the proposals and how they will be affected. This means ensuring an effective communication strategy between the tiers of governance.

Members

The role of the members is to provide oversight and hold the trust board to account for the effective governance of the trust. While any decision to proceed with the merger is for the trustees to determine, members will need to think objectively about what the governance arrangements should be for the merged organisation and particularly who the members of the newly merged trust will be and how the new board should be established.

NGA guidance on the role of members within an academy trust further explains the remit and limitations that members have.

Local governance

Engaging with local governance early in the process may give the trustees a clearer picture of each school's position, including its strengths, challenges and priorities. These insights put the trust in a strong position to identify a merger partner that aligns with its core values and culture and is best placed to meet the needs of existing pupils.

Regional Director (RD)

Any potential merger will be subject to the RD considering and approving the proposal to merge before it can proceed. It is essential to talk to your relationship lead at the RD's office at an early stage. The academisation trajectory over recent years has resulted in considerable regional variation across the country, and so your RD will be able to advise you on their broad expectations for trust development in their area. They may also give you relevant information on paperwork and timelines for RD consideration and approval as well as any further work you might need to do to strengthen the business case for the merger.

Religious body

MATs that have some or all schools designated with a religious character should discuss the proposal with the body or person representing the religion or religious denomination at an early stage so that their views and requirements can be considered in any final proposal. Ongoing communication allows organisations to manage expectations and streamline efforts.

Church of England and Catholic Dioceses have distinctive approaches to MAT consolidation for their localities, typically set out in an academisation strategy. This means that MATs should understand their Diocese's vision and how decisions around trust development are taken and account for them, as appropriate, in the merger process.

Identifying potential merger partners

One of the most critical decisions a trust will make is to identify a suitable merger partner. It begins with a clear understanding of your trust's position. Broadly speaking, this includes a detailed self-assessment of:

- your trust's strengths and weaknesses
- your strategic and operational goals
- the reasons why you are considering a merger

However, during initial stages, trusts are encouraged not to rely on self-assessment alone. Where a trust is considering undergoing any significant change, including mergers, the Department for Education (DfE) recommends that trusts commission an independent external review of governance as this can be a powerful diagnostic tool.

As you embark on this process, you may already have a potential partner trust in mind. If you find yourself with a 'first choice', keep an open mind. Don't allow yourself to be pressured into making an immediate decision and consider other options. Partners may also be identified through:

- organisations that are already working together successfully in some form of collaborative relationship
- members of the executive team and trust board suggesting potential trusts for consideration based on local knowledge and connections
- a direct approach from another trust interested in potentially merging

There is no ideal number of organisations you should identify – what matters is that alternatives are being meaningfully explored.

Assessing potential merger partners

The next step will be to assess the potential partners. Start by considering the extent of your existing knowledge and thereafter carry out some research. The trust's website is a good place to start, and you can also talk to others in your community who may have experience with the trust. Other useful sources of information include:

- DfE performance data and Ofsted reports (including any Ofsted MAT summary evaluations)
- the MAT's governance documents, including the articles of association, scheme of delegation and terms of reference

- individual school websites
- annual reports and financial statements (some may be filed at Companies House)
- any media reports (to be treated with caution)

You should then engage in a more formal assessment – evaluate areas of difference that are complementary to one another, as well as ways in which you are similar. Some questions to consider include:

- Do the trusts have similar strategic visions and goals?
- Are the trusts' organisational cultures compatible?
- Have the trusts collaborated before and, if so, what was learned from the experience?
- What skills, knowledge and experience can the trust bring to the merger and to what extent do they complement your trust's needs, and vice versa?
- Does the trust's educational outcomes or financial status raise any red flags?
- What is the career status of the CEOs of the trusts? Are they likely to want to retain control of the new trust and how does that fit with each CEO's priorities?
- What is the geographical spread of academies within the trusts? Does this support your aims and objectives? Sharing resources may be more challenging across a trust that is geographically dispersed.

As you consider all these themes, bear in mind that the overriding duty of the trust is to ensure that a proposed merger is in the best interests of your current and future pupils.

Through the process of assessing potential merger partners, it is likely that you will discount some, leaving one or two being well-aligned. On the other hand, you may not identify any option as a strong enough prospective partner. While it may feel like a setback, choosing to pause plans reflects a careful and measured approach to trust development and is an option that should always be anticipated as a legitimate outcome.

Engaging with potential merger partners

After assessment, your MAT will begin preliminary engagement with the trust(s) you have assessed as strong prospective partners, if you have not already done so. Depending on the history between the organisations, early/informal conversations may emerge organically.

More structured engagement might be initiated by way of a phone call or an informal meeting of a small number of senior leaders from each trust. It is often best to ease into the process by starting your discussions with perceived common interests and a desire to explore the potential for a closer relationship. Establishing the motivating factors behind each trust will help to develop shared understanding. At this stage, it may be beneficial to frame the conversation around broader collaboration to keep the dialogue open and flexible.

While the trust's CEO will have significant involvement, the chair on behalf of the trust board will play a particularly important role during these initial discussions. Establishing positive and transparent ways of working early in the process is key: all parties should leave the initial meeting with a clear agreement on next steps so that momentum can be maintained. Having someone clerk the meeting and follow up with correspondence can support this process.

Compatible cultures

Arguably the most important consideration at this stage is whether the two trusts have compatible organisational cultures: the shared values, expectations and practices that impact on performance and which guide decisions. One of the main reasons partnerships fail is because there is a mismatch in organisational culture, so this element needs to be continually assessed from the early scoping conversations to the legal process being completed.

An evaluation of organisational culture can begin with meetings and discussions between trustees, staff, pupils and other stakeholders. Informal discussions between counterparts (such as between chief finance officers (CFOs)) may also be a useful way of exploring culture. The nature and extent of these interactions will vary based on the relationship that may or may not already exist between parties.

However, initial conversations won't give you all the answers; spending time in the potential partner's schools provides an opportunity to experience culture and ethos firsthand.

Looking at policies for how the trust manages key areas, such as performance management, curriculum, teaching and learning and behaviour can also give a more concrete view of how culture and ethos are embedded and lived in everyday practice.

Engaging with more than one trust

You may decide to begin initial engagements with more than one trust simultaneously. If you take this approach, it is recommended that you be transparent and courteous with all the parties. It is also important to manage your trust's resources efficiently. For example, through:

- establishing a clear timeline for discussions to ensure good progress
- moving on promptly to explore other potential merger partners if you are not making sufficient progress with another trust
- establishing a set of non-negotiables or other criteria to determine when to proceed or withdraw from discussions

Appointing an external advisor

We recommend that trusts appoint an external adviser who can act as a valuable, independent guide throughout the process. When to bring them in would depend on individual circumstances. Some MATs can benefit from having external support in the early stages of considering a merger, while others may decide to appoint somebody only once a suitable partner organisation has been identified.

An external adviser can act for both parties, helping the organisations reach a consensus, particularly when agreeing future governance arrangements. It's integral for any advisor to have sufficient expertise in MAT governance and a good working knowledge of the merger process. This role could be fulfilled by an NGA consultant.

The external adviser is distinct from a legal adviser, whose services will be required to support and advise on the legal transfer.

3. Implementing the merger

Once your trust has identified a potential partner organisation that has a strong common ethos, values and culture, the merger implementation can begin. The process requires one trust to be identified as '**transferring**' and the other as '**receiving**'. This culminates in one trust transferring its schools to the receiving trust and the 'transferring' trust then closing.

The process consists of the following steps:

A. set out your expectations

B. agree the new governance structure

C. undertake due diligence

D. consult with stakeholders

E. execute the legal transfer documents

F. transfer of funds and preparation of final accounts

As mentioned, there will be some differences for MATs that contain church or other faith schools. Such schools should contact the relevant religious authority at the outset to understand any differences in the process, additional requirements around approvals and the involvement of the religious authority.

A. Set out your expectations

It is important that both parties set out their expectations at an early stage in the process, identifying any 'dealbreakers' before either party commits significant time, effort and costs to the project. This can be achieved through a Heads of Terms (a legally binding agreement) or a less formal Memorandum of Understanding (MoU).

Such documents are an appropriate place to set out:

- the parties' approach to due diligence and confidentiality obligations
- the establishment of a joint working party
- project management and coordinating the merger
- an agreement as to sharing any costs incurred during the early stages of engagement
- the approach to governance and leadership – key areas where the parties need to be aligned to successfully complete the merger
- financial arrangements, setting out the expectation on top slicing and reserves
- the timescales

B. Agree the new governance structure

Before getting into the legal mechanics of any transfer, the governance structure of the newly merged organisation needs to be agreed by both boards acting collectively. This would likely be achieved through the joint working party. We recommend that this work is facilitated by your external adviser.

The composition of the new board will need to be carefully considered, taking into account:

- the skills, knowledge and expertise of the existing trustees, ie by using a skills audit
- their experience and understanding of the communities served by the merged trust
- the optimum size for the merged trust – the board should not be so large that it compromises decision-making, but it will still need enough people to ensure diversity of opinion, support robust decision making and support board obligations
- the willingness of trustees to take up the position on the newly formed board

Once agreed, the trustees who will be appointed to the merged board may wish to consider working as a shadow board before the merger is completed. The shadow board would meet to discuss matters relevant to the merged trust to be implemented on transfer and ensure the board is ready to assume its position. In practice, the shadow board would assume most of the work the joint working party carried out up until this point.

C. Undertake due diligence

Due diligence is the process of investigating an organisation and establishing facts and details prior to entering into a contract with it, such as a merger. Some trusts choose to appoint a project manager at this stage given that due diligence can be a time consuming and complex process, particularly on mergers involving larger trusts which demand significant time and resources.

Due diligence is undertaken to:

- obtain sufficient information about the joining schools to decide whether to proceed
- identify the assets that will be transferred
- identify and evaluate any potential risks and liabilities at an early stage
- use the information revealed to agree appropriate terms for the implementation of the merger

Fundamentally, the due diligence undertaken should assure both parties that they are taking a decision in the best interests of their trust and the pupils that they are responsible for. The DfE provides best practice guidance on due diligence.

When to start due diligence

Trusts should undertake due diligence before they commit to completing a merger and it should be an ongoing process up to the point of transfer.

Who carries out due diligence?

Due diligence is usually planned by the joint working party and coordinated by the CEO and central executive team of each trust. While it is important for the full board to be kept informed of progress, the joint working party would conduct regular and detailed scrutiny.

Ordinarily, the receiving trust carries the most risk, given it will be assuming the assets and liabilities of the transferring trust, but due diligence is equally as important for the transferring trust as it will want to be assured of the stability of the trust it is transferring its schools to.

The process involves both key internal personnel (CFO, operations director or business manager, estates officer, HR director and IT staff) and external assistance (legal and accounting services, governance consultants, building surveyors and insurance providers).

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How to conduct due diligence

The level of due diligence undertaken will be dependent on individual circumstances; it should be proportionate to the potential risks identified.

Due diligence shouldn't just be a desktop exercise. It should involve visits to the trust's central site and/or individual schools to see if practice matches up with what the paperwork states.

Information sharing

There may be concerns about ensuring some of the information shared remains private. Suitable arrangements should be made to ensure information is shared securely and appropriately. The receiving academy trust should keep documents and correspondence in a secure, separate location which allows access only to authorised staff.

Sharing of identifiable personal data should generally not need to take place pre-transfer. Any requirement for personal data shared should generally be anonymised or statistical. However, this can be difficult in smaller trusts or in relation to particular staff roles. In practice, trusts do often share personal data in advance of transfer.

Trusts should get legal advice on managing the sharing of confidential information and personal data, including support with information and data sharing agreements and how to deal with transparency and data subject right requests.

Which areas are scrutinised?

Due diligence undertaken by a trust would normally fall within one of five main headings. Examples of areas explored include:

Educational performance

- curriculum design
- effectiveness of school improvement strategies

Commercial

- land and buildings
- condition surveys

Organisational

- staffing structures
- existing contracts, providers and end dates

Legal and regulatory compliance

- insurance, public liability and related claims
- the outcome of external reviews and audits

Finance

- historical and future budget forecasts
- reserves
- metrics such as staff expenditure

Due diligence reporting

Effective communication and planning are key; we recommend that the CEO, executive team and trust working party agree milestones for reporting back to the trust board. This should allow for feedback from the board so that the CEO and working party can refine their approach if required.

Once due diligence is complete, the CEO or executive team will collate the findings into a single report with recommendations to inform the respective board in their decision-making process.

D. Consult with stakeholders

If the due diligence process has been completed without any significant concerns having been raised, it is ordinarily at this stage in the process that trusts should consult with stakeholders on the proposal to merge.

While there is no statutory obligation to carry out a consultation, there will likely be a public law duty to run a consultation exercise. We advise that engaging with stakeholders at this stage is fundamental to the success of the merger and an essential feature of effective governance.

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 final 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 takes place during term time
- ensure that consultation responses are specifically considered by the decision maker (the board of trustees) when deciding whether 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, the parties may wish to send letters to the parents of pupils, briefly outlining the proposal. We also recommend that meetings are held with trust staff.

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 documents

At this stage, the board will need to instruct a legal adviser 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 agreement

The transfer of any academy from one trust into another involves the transfer of the business and assets of the academy from one legal entity into another. That means all the assets, property, contracts and employees will be transferred to the receiving trust and this is documented in an agreement commonly referred to as a commercial transfer agreement.

It is important to understand what is being transferred. In a merger, the receiving trust normally accepts all liabilities relating to the operation of the academies, meaning due diligence is paramount before undertaking any final decisions to proceed.

Transfer of funding agreements

The transferring trust's existing funding agreements for each academy will need to be transferred to the receiving trust. This is achieved through a deed of novation and variation. The transferring trust will also need to terminate the master funding agreement.

Transfer of land and buildings

The leasehold/freehold transfer deeds will transfer the ownership of the land and buildings for each academy site from the transferring trust into the receiving trust. This will include any subleases that are already in place.

Transfer of staff

Staff are transferred to the employment of the receiving trust by way of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). The TUPE regulations require that a formal process is followed on the transfer of staff. There are significant financial and reputational penalties if this is breached so it is essential to ensure that the process is carried out correctly. Employees can be reassured by being kept informed of progress (including if there is none) and having an open door for questions throughout the process.

F. Transfer of funds and preparation of final accounts

Following completion of the transfers, the transferring trust will need to:

- agree the final transfer of funds with the acquiring trust
- prepare a final set of audited accounts, consulting the Academies Accounts Direction, which provides instruction for an existing academy trust becoming inactive
- be formally closed, via either a voluntary strike off or a members' voluntary liquidation – in most cases a voluntary strike off will be sufficient, but in some cases, where there are significant residual risks, a members' voluntary liquidation may be more appropriate (this usually applies on a re-brokered transfer)

4. Integration post-merger

Following legal implementation of the merger is the integration phase. This usually takes the longest amount of time as it involves aligning governance arrangements, leadership structures, staffing and systems to create a single, cohesive organisation.

Embedding the new governance structure

The newly merged organisation will have one trust board, The governance principles will be the same as for any established MAT, but it is likely to take time for the governance structure to become embedded and effective, especially if the merged trust board is newly constituted.

The governance structure should support the newly merged MAT through clear roles, appropriate checks and balances and strong communication between the tiers of governance. Delegation to academy committees may differ from previous arrangements and should be clearly defined in the scheme of delegation.

Mergers in the third sector are often accompanied by a board strategy day, bringing together the new team who will plan the organisation's next steps.

Values, ethos and strategy

The trust board should embrace the singular vision and ethos of the new trust; all governance decisions should be made in the interests of every school within the trust. In broad terms, the mission statement defines the reason for existing, and the vision conveys the trust's ambition for the future. The vision should be a point of reference for discussing the curriculum and the educational experience pupils receive.

The principles of formulating a vision and strategy are further explored in NGA's Being Strategic guidance.

Developing the central leadership team

The CEO and their central leadership team deliver the vision of the trust. They will facilitate the transition from two operating models to one. It is unlikely that this will be fully refined from the outset, but an effective approach should evolve over time.

Newly merged MATs can struggle to establish themselves if the understanding of the original trusts' individual identity overshadows the focus on the new trust-wide vision; the CEO should ensure a consistent focus on this new shared approach.

Strong brand and clear organisational identity

The trust board is responsible for determining organisational identity, which should be a shared and accepted collective endeavour, owned by all academies. Being a part of the newly merged MAT brings a fundamental change to the identity of all the schools within it, and a successfully merged trust will ensure the two previous trusts are no longer seen as separate entities.

The trust's branding should be clear and consistent. In some cases, it may be appropriate to develop a new name, logo or visual identity to build a shared sense of belonging, for example, if existing identities are confusing or contradictory.

Building trust

Clear and consistent communication with stakeholders is essential throughout the merger process; it should extend beyond formal consultation, through the integration phase and beyond.

Those most invested in either organisation should be able to relate to the purpose and goals of the newly merged trust. Setting these out from the start will support stronger engagement and smoother transition.

The most successful mergers focus on delivering long-term public benefit and communicating about this purpose internally and externally. It may be difficult to achieve buy-in if communication narrowly focuses on advantages through financial gain and economies of scale.

Trustees and executive leaders should recognise that joining a new organisation can be unsettling, particularly for those involved in school level leadership. The trust board and CEO should anticipate this and implement strategies to address concerns, build confidence and ensure a positive integration experience.