

Executive Pay Policy



Dartmoor
MULTI ACADEMY TRUST

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1. Introduction

“Good governance in charities is not an optional extra, or a bureaucratic detail. Good governance is what underpins the delivery of a charity’s purposes to the high standards expected by the public.”
David Holdsworth, Deputy CEO, Charity Commission, August 2018

Setting the framework for the pay of the senior executive leader (s) and the leadership team in the Dartmoor Multi Academy Trust is the direct responsibility of the Board of Trustees. They must retain control and oversight of this critical function. They must also ensure that pay and leadership structures are underpinned by [the 7 principles of public life](#), as set out by Lord Nolan, which are:

1. [Selflessness](#)
2. [Integrity](#)
3. [Objectivity](#)
4. [Accountability](#)
5. [Openness](#)
6. [Honesty](#)
7. [Leadership](#)

Trustees are aware that compliance with the [Academies Financial Handbook](#) (AFH) is a condition of each academy trust's funding agreement. The AFH sets out the financial management, control and reporting requirements that apply to all academy trusts.

The AFH 2019 sets out the following requirements in relation to executive pay:

*“2.3.0. The board of trustees **must** 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. No individual can be involved in deciding his or her own remuneration.”*

*“2.3.1. The board **must** discharge its responsibilities effectively, ensuring its approach to pay is transparent, proportionate and justifiable, including:*

- i. process - that the procedure for determining executive pay and benefits, and keeping them proportionate, is agreed by the board in advance and documented*
- ii. independence - decisions about executive pay and benefits reflect independent and objective scrutiny by the board and that conflicts of interest are avoided*
- iii. robust decision-making - factors in determining pay and benefits are clear, including whether educational and financial performance considerations, and the degree of challenge in the role, have been taken into account*

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- iv. *proportionality - pay and benefits represent good value for money and are defensible relative to the public sector market*
- v. *commercial interests – ensuring the board is sighted on broader business interests held by senior executives, and is satisfied that any payments made by the trust to executives in relation to such interests do not undermine the transparency requirements for disclosing pay in accordance with the Academies Accounts Direction*
- vi. *documentation - the rationale behind the decision-making process, including whether the level of pay and benefits reflects value for money, is recorded and retained*
- vii. *a basic presumption that executive pay and benefits should not increase at a faster rate than that of teachers, in individual years and over the longer term*
- viii. *understanding that inappropriate pay and benefits can be challenged by ESFA, particularly in any instance of poor financial management of the trust.”*

2. Considerations

The Dartmoor Multi Academy Trust Board of Trustees is accountable and answerable for the decisions they make on setting pay and must robustly challenge escalating leadership costs where they are not clearly justifiable, or where it raises questions about financial sustainability.

In the event of schools, and therefore personnel joining the Trust, it may be necessary for salaries to remain the same following the transfer. The board will consider on a case by case basis whether it is appropriate to inherit salaries at existing levels. The board must ensure that salaries are in line with this pay policy, that all decisions around pay are evidence based, and that the trust is accountable for levels of pay within the Dartmoor Multi Academy Trust.

Trustees will ensure decisions around pay evidence a robust decision-making process that ensures pay is transparent, proportionate, reasonable, and justifiable for all staff.

Trustees will take the following independent factors into consideration when setting Executive Pay and conducting reviews of existing salaries.

Academic performance

Academic performance and the key outcomes of DMAT will be factored into the responsibilities of all executive members.

When considering academic performance in relation to executive pay, Trustees will consider pupil outcomes across the Trust and the level of improvement required to ensure that the Trust is providing the highest standard of education to its pupils. When reviewing salaries Trustees will also consider the level of progress that is being made towards improvement and ensure that appropriate adjustments are made where expectations are not being met.

Educational challenge

When making decisions about pay, trustees will factor in any educational challenge the trust may face as a result of its individual mission, motivations and values.

Based on the context and circumstances of the Trust, Trustees may require additional expertise as a result of particular challenge in the educational setting.

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Financial performance

It is important for Trustees to consider the financial position of the Trust when considering salaries, both in terms of budgeting and in the level of challenge as a result of the Trust's current financial performance. Decision making by the board will be undertaken using robust data and the board should ensure it has sufficient access to the current actual financial position and financial projections for the trust to inform these decisions.

Broader factors that may increase the degree of challenge in the role

In addition to the factors set out above, Trustees will consider whether the role presents additional challenges outside of those that would normally be expected of this position. These might include:

- Permanent role and responsibilities that may not be typical of the role in other organisations
- Existing significant concerns at the trust
- A role in leading future plans for the trust (e.g. expansion)
- Additional accountabilities (e.g. leading a teaching school alliance)
- Responsibility for engaging the local community

Experience of the individual

When considering remuneration Trustees will consider any additional expertise that the individual may bring to the role which will add value to the leadership team.

Evidence to consider:

- Previous significant experience in improving educational and financial outcomes
- School Business Management qualifications and experience
- National Leaders of Education/National Leaders of Further Education
- Other relevant qualifications

Cost of total remuneration package

Trustees will consider the total remuneration package, not just the cost of the basic salary.

Particular elements to consider include:

- Performance-related pay and other bonuses awarded during the financial year
- Pension contributions and payments in lieu of pension contributions
- Salary sacrifice arrangements
- Compensation for loss of office
- Any sums paid under any pension scheme in relation to employment with the provider
- Other taxable benefits
- Non-taxable benefits that are available only to senior members of staff
- Other remuneration and the cost to the provider e.g. car allowance
- Non-teaching staff should not be on a teaching employment contract:

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Benchmarking

Benchmarking can be a very useful activity for Trustees to support quality decision making when taken into consideration alongside the specific context of the individual trust. When using benchmarking it is important to consider the individual trust perspective when comparing against statistically similar trusts.

Trustees may also wish to contact similarly sized trusts in the area to enquire about their levels of remuneration.

Characteristics of the trust

The following characteristics of the Dartmoor Multi Academy Trust will be taken into consideration when setting salaries:

- Number of academies
- Number of pupils
- Range of provision
- The quality of provision and their financial effectiveness

Location

Trustees within DMAT will consider whether location should be factored into decisions about pay when considering levels of remuneration.

Performance management and salary increases

Decisions to award pay progression will be related to the individual's performance, as assessed through the Trust's appraisal arrangements. (Refer to DMAT Appraisal Policy)

Pay increases will not be awarded automatically. Instead, they will be linked to a clear and measurable set of Key Performance Indicators within the parameters of the agreed contractual arrangements. The board must be satisfied that there is an evident link between the levels of achievement of the individual and across the trust and pay progression. Pay ranges will only be reviewed when there have been significant changes to responsibilities and not just because the top of the current range has been reached.

Pay increases will always be considered in the context of the wider organisation.

3. Pay Ranges

The Pay Ranges for the Executive Staff within the Dartmoor Multi Academy Trust are:

Role	Pay Range
Chief Executive Officer/Accounting Officer	£135,000 - £147,000
Vice Chief Executive Officer	£97,273 - £102,159
Chief Finance & Operations Officer	£71,226 -£79,130