

Pay, conditions and recognition for business leaders

Guidance at a glance

This guidance covers key aspects of the role of business leaders in all types of educational settings and includes information to support the evaluation and decision making process when setting pay and conditions for school business leaders (SBLs) and managers.

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1 ASCL positions on pay and conditions

During the academic year 2021/22, ASCL Council agreed the following position statements demonstrating ASCL's commitment to calling for fair and equitable recognition of status, pay and conditions for business leaders.

1a ASCL position on business leader pay

There is no national pay framework that specifically recognises business leadership roles, and as a result there is a disparity in the level of pay and recognition in these roles.

The situation is exacerbated by the fact that job profiles used by some local authorities were carried out many years ago, and do not always reflect how the responsibilities and accountabilities of these roles and the profession have evolved in that time. Local authorities operate their own job evaluation and grading framework, generally within the National Joint Council (NJC) pay scales, and this varies greatly between authorities. This has resulted in a fragmented position where some schools are denied access to higher pay scales which are warranted by these roles, and others are not.

ASCL position: *Business or executive leaders who undertake whole school, college or trust responsibilities are an integral part of the leadership team. ASCL believes that this should be reflected in their status and remuneration.*

Where this is not the case, there should be a review of the business leader's pay to ensure their crucial role is appropriately recognised and remunerated.

Why are we saying this?

We believe that business or executive leaders who undertake whole school, college or trust responsibilities should be paid with parity to other leadership colleagues holding the same level of responsibility, regardless of any particular route into education leadership.

Where this isn't the case, we ask employers to review the remuneration of their business leader to ensure that it truly reflects the seniority of their role and that they are paid in parity with, and receive the same recognition as, senior leadership colleagues who hold the same level of responsibility.

1b ASCL position on business leader conditions of employment

What is the context?

Since the introduction of the academies programme in 2010, we have seen the conversion of almost 40% of schools into academy trusts. The government's vision for every school to be part of a family of schools in strong academy trusts will undoubtedly see this proportion increasing.

The pandemic forced employers to expedite new ways of working and has shown that flexibility is possible in many professional business roles.

ASCL position: *A school system based on academies is best served by the retention of the National Agreement on Pay and Conditions of Service (NJC Green Book) as a minimum national benchmark.*

While not providing a perfect framework for remunerating SBLs, the Green Book does provide a current set of terms and conditions determined by a negotiating body. If adopted in full, the Green Book would ensure equity and parity of conditions for business leaders and may go some way towards supporting the retention of practitioners who intend to leave the system.

We believe that employers should also use flexible working opportunities wherever possible to improve the conditions of service, and aid in the recruitment and retention, of those working in school or trust business leadership roles.

Why are we saying this?

Although many employers continue to adopt the national terms and conditions for teachers, this does not always happen for support staff, and in particular for those working in senior support staff roles such as SBLs. Disappointingly, it is not always the case that support staff are employed on the equivalent or better terms and conditions.

This can mean that support staff can achieve better pay and conditions of service working outside the academy sector in other public sector roles. Ensuring that the provisions of the NJC Green Book are a minimum national benchmark for school and trust business leaders will help trusts in the recruitment and retention of these crucial strategic roles.

Background information

ASCL has been consistent in appealing for a national mechanism that allows all senior leaders access to a structure which brings parity and equity to leadership remuneration, regardless of a particular qualification route into a specific leadership role. Despite repeated appeals on behalf of members, the School Teachers' Review Body (STRB) has been strident in their response that this category of school leader sits outside their remit. For this to happen, a change in primary legislation would be required. Even if it was something that the government was minded to do, it would be a lengthy process.

In the absence of this, this guidance encourages a more consistent and equitable approach to the process of assessing levels of responsibility which then helps inform decisions about remuneration for SBLs and school business managers (SBMs).

ASCL has coalesced with sector organisations to garner wider support and reach of communications, for example, supporting a joint letter on **SBP inclusion** and **guidance** for headteachers covering reviewing workload and school business pay.

The increasing number of academies and other autonomous structures in education have afforded greater flexibility in the assessment of remuneration for SBLs. It is essential that due consideration is given to the job description and person specification for your school business leader, as these two documents inform most decisions about pay.

In situations where practitioners believe that their pay is not equitable and fair, they should consult their employer's pay policy to establish the process for requesting a review or job re-evaluation. A business case could then be put together by the individual to support this request. The information provided in this guidance should be helpful to business leaders and their employers during the process. ASCL members requiring support and guidance on this process can contact the ASCL Hotline.

2 Assessing need

There are several key documents and pieces of information which are significant in supporting the assessment process of a new or existing business leadership post. These include the job description and person specification, staffing structure and leadership framework, and pay policy.

Job description and person specification

A job description and person specification which accurately reflect the current role(s), responsibilities and levels of accountability are both essential. These documents should include information about the essential and desirable qualification requirements, necessary knowledge, understanding and experience, and detail clearly the leadership or whole school/MAT responsibilities relevant to a post, including membership of the senior leadership team. For governors of maintained schools, these are core documents providing the evidence that may be required in an appeal process against local authority (LA) decisions. For all educational organisations, it is vitally important to ensure these documents are reviewed regularly and updated to reflect accurately any changes to roles and levels of responsibility. These two documents form the basis for most decisions about pay.

Staffing structure and leadership framework

- Where does the post fit within the context of other leadership roles within the existing or proposed structure?
- Is the role equivalent in status to that of other senior leader positions, for example, deputy head, vice principal, assistant head or assistant principal?

Alignment of leadership responsibilities in this way helps determine what levels of pay are equitable and appropriate.

It is important to ensure that the requirements and recommendations of the ESFA are given due consideration. Two examples follow.

Example 1: Academies

The **ESFA's Academy Trust Handbook 2022** (also known as the Academies Financial Handbook), in reference to the role of Chief Finance Officer (CFO) states:

“The board must appoint a chief financial officer (CFO), who is (and whose job title may instead be) the trust's finance director, business manager or equivalent, to whom responsibility for the trust's detailed financial procedures is delegated. The CFO should play both a technical and leadership role. The CFO should be employed by the trust, and the trust must obtain prior ESFA approval if it is proposing, in exceptional circumstances, to appoint a CFO who will not be an employee.”

“The CFO and their finance staff must be appropriately qualified and/or experienced. Trusts must assess whether the CFO, and others holding key financial posts, should have a business or accountancy qualification and hold membership of a relevant professional body, dependent on the risk, scale and complexity of financial operations. ESFA encourages larger trusts (for example over 3000 pupils) to consider the range of accountancy qualifications

available from professional bodies such as the ICAEW, ACCA, CIMA or CIPFA (including CIPFA qualifications developed in partnership with ISBL), and take this into account when filling CFO vacancies.”

“CFOs should maintain continuing professional development and undertake relevant ongoing training.”

“The CFO need not discharge all their duties personally. The trust may employ additional staff or contractors with the relevant skills and knowledge at the appropriate time.”

Example 2: Maintained schools

Changes introduced to the Schools Financial Value Standard since the Financial Year 2019/20 included the following recommendation:

“It is good practice to employ a school business manager and make them a member of the senior leadership team. They are then best able to support the headteacher and other senior staff in the field of finance and managing resources.”

Pay policy

All schools and academies are required to have a pay policy which is reviewed annually. It is important for the policy to cover all senior leaders, including SBLs and other school leaders who carry out business-related functions, at individual school level and also any trust-wide or central roles. It is often the case that these roles are omitted from pay policy considerations.

Prompts to assist you in reviewing the scope of your policy include:

- Where does this role fit within the existing policy?
- When does the annual pay review need to be undertaken?
- Do the pay scales for support staff offer scope for remunerating a senior role?
- Is there provision for support staff, including senior roles, to request a review of a role and/or responsibility where either has changed, with a right to appeal the decision of any outcome?

The mandatory requirements for performance-related pay may have implications and determine the point at which pay reviews take place. For academies, foundation schools, free schools and University Technical Colleges (UTCs) where pay reviews are not as closely tied into a LA process, there may be more flexibility on the timeline.

3 Other important considerations

Import considerations

It would be pertinent to consider whether the role is fully part of the leadership team and how leadership roles are identified and defined by the employer. Leadership roles may be defined by accountability and responsibility, for example, leaders may be required to attend and be involved in leadership and/or governance meetings and fulfil specific duties, such as, supervision duties. This does not necessarily mean every leader is involved in every meeting, more so where the topics being discussed are relevant to the role. It could include being part of decision-making processes and/or having delegated authorisation powers and responsibilities.

Many school business leader roles include core general accountabilities. As outlined in the ISBL Professional Standards, these areas include:

- leading support services
- finance
- procurement
- infrastructure

- human resources
- marketing

Within each area of the ISBL professional standards there are four tiers which reflect the level of contribution that practitioners could be making. The tiers describe expected levels of professional practice and set out explicitly values and ethics as part of the framework. There are six main professional disciplines of school business leadership:

- Agile
- Decisive
- Leads
- Collaborative
- Resourceful
- Emotionally intelligent

Whilst the ISBL standards framework sets out the fundamental elements of school business leadership, there are roles within schools and trusts which are more specialist, dependent on the staffing structure and organisation design.

4 Determining pay and conditions

Pay

ASCL position: *Business or executive leaders who undertake whole school, college or trust responsibilities are an integral part of the leadership team. ASCL believes that this should be reflected in their status and remuneration.*

Where this is not the case, there should be a review of the business leader's pay to ensure their crucial role is appropriately recognised and remunerated.

When determining the appropriate remuneration level for each post, the relevant body should take into account all responsibilities of the role, for example:

- the balance between leadership and management responsibilities
- challenges that are specific to the role
- the level of strategic responsibility and all other relevant considerations in the same way that they are now required to set leadership pay under the STPCD
- size of the budget being managed
- organisational financial challenges
- the percentage of whole school responsibility

These are just some of the common issues for consideration, but it is not an exhaustive list. There will be other factors which are specific to your organisation and dependent on your specific circumstances.

Conditions

ASCL position: *A school system based on academies is best served by the retention of the National Agreement on Pay and Conditions of Service (NJC Green Book) as a minimum national benchmark.*

While not providing a perfect framework for remunerating SBLs, the Green Book does provide a current set of terms and conditions determined by a negotiating body. If adopted in full, the Green Book would ensure

equity and parity of conditions for business leaders and may go some way towards supporting the retention of practitioners who intend to leave the system.

We believe that employers should also use flexible working opportunities wherever possible to improve the conditions of service, and aid in the recruitment and retention, of those working in school or trust business leadership roles.

When reviewing or determining a remuneration package, due consideration should also be given to:

- diversity and equality
- conditions of employment, such as, pension contributions, holiday entitlement, term time vs full year and other options such as annualised hours
- flexible working opportunities including remote working, compressed hours, annualised hours, part-time, flexitime, phased retirement and much more.
- payment of professional fees
- professional development and training, including financial, mentoring, coaching and time support for undertaking qualifications. It is a requirement of membership for many professional institutions that professionals undertake a certain number of hours of CPD each year
- wellbeing
- other benefits

Job evaluation schemes

Consideration should also be given to the role within its specific leadership structure, for example, in the context of the other leadership roles with equal accountability. Pay levels will need to be reviewed to take account of any significant changes to roles, responsibilities, and levels of accountability.

Many job evaluation schemes used by local authorities include core elements which add context and provide 'weighting'. The National Joint Council (NJC) Green Book includes detailed information on job evaluation including a scoring/weighting matrix.

These include:

- knowledge and understanding, qualifications, expertise or experience
- extent of delegated problem-solving responsibility
- responsibility for full line and performance management of other staff (number of staff is key - the larger the group of responsibility, the higher the weighting)
- accountability for delegated decision making

Some roles will include an additional element of 'stretch' alongside the core accountabilities listed above. These elements of a role also need to be carefully considered and reflected in decisions on setting pay.

Examples of likely elements of stretch might include complexities of managing multiple sites or the management of extensions to provision. In such cases, key issues to consider are the complexity and time needed to manage these extra responsibilities, requirements for additional necessary expertise or technical knowledge, impact of evaluative judgements required and the extent to which these judgements have implications for business continuity. Other examples are collaborative working practices including contribution to wider school business leader networks on local and national levels, for example, school business leader groups/networks, delivering CPD, writing articles for publications, Schools Resource Management Advisor (SRMA), and Specialist Leader of Education (SLE).

Points for academies to consider

- Have you considered the references in the Academy Trust Handbook about the chief financial officer?
- Has due consideration been given to the change in role if converting from maintained to academy, or growing from a single academy trust to a multi-academy trust (MAT), or growing a MAT?
- Has the job description and person specification been reviewed to reflect the change to workload, responsibilities and deadlines? For example, moving from a March year-end to an August year-end, requirement for statutory annual financial statements and monthly management accounts, and an annual external audit.

Academies will also need to consider changes to SBLs roles when schools become MATs or when MATs take on more schools and responsibilities change and grow. It is important that this process is carried out in full consultation with the postholder, and that due consideration is given to the impact of any changes. For example, if the role requires working across multiple sites then any time spent travelling between sites must be accounted for within the individual's paid working hours and appropriate travel expenses paid. Further information can be found in the Green Book, which most support staff who enjoy TUPE protection will be covered by. We would advise employers to consult their HR providers for assistance in this process and any Business Leader members to contact our Hotline for advice.

Points for maintained schools to consider

The Staffing Regulations make it clear there is a process and timescale for consultation with the LA and a need to consider the views of the authority, but that the final determination is with the governing body. An up-to-date and accurate job description and person specification will be required to support a re-evaluation request with a LA. We are aware that some colleagues continue to face difficulties with local authorities attempting to have the final determination over the pay of support staff in maintained schools, but as stated above, this sits with the governing body. In these situations, the governing body should follow the requirements of the Staffing Regulations which state:

'Regulation 17 (6) If, within a period of seven days after receiving the job specification, the authority makes written representations to the governing body relating to the grade or remuneration to be paid, the governing body must—

(a) consider those representations; and

(b) where it decides not to change the grade or remuneration to be paid, notify the authority in writing of its reasons.'

It is also the case that the Staffing Regulations allow for a member of support staff in a maintained school to be paid on any pay scale available to the LA. However, we know that some authorities have taken this to be restricted to those scales from the National Joint Council (NJC, or the Green Book, currently up to point 43), or other LA equivalents. It is clear there are other pay scales available to local authorities that are used for more senior posts, and in certain circumstances it may be appropriate to make use of these. This is something to be considered when adopting model LA pay policies which may only append the restricted pay scales.

Once the decisions have been made on the level of remuneration appropriate for a role, it is recommended that a pay range is agreed to allow for pay progression, as with other school roles.

5 Further information

ISBL Professional Standards

This set of professional standards provides valuable information about professional attributes, expectations of specific knowledge and understanding required in a particular post. Diversity within the profession may result in characteristics from several of the quoted categories in the standards being relevant, and which will require a judgement on 'best fit' to determine where the majority of the core roles and responsibilities in a particular post are aligned.

Academy Trust Handbook (ATH) For practitioners operating within academy structures, this document will incorporate key responsibilities and accountabilities which need to be taken into consideration in the context of each individual role. The ATH is reviewed and updated annually and should therefore underpin the regular reviews undertaken within the academy or trust.

Schools Financial Value Standard (SFVS)

The SFVS helps to provide schools with assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.

The SFVS checklist was formerly part of a tool that also contained a dashboard. This is now available on the schools financial benchmarking website. It shows how a school's data compares to thresholds on a range of statistics that have been identified as indicators for good resource management and outcomes. The checklist asks questions of governing bodies in six areas of resource management. These questions should support governing bodies in understanding the level of financial expertise and competence within the school leadership team.

CIPFA - The Role of the Chief Finance Officer

This sets out key information useful when conducting assessments for roles within academies, depending on the focus of the core responsibilities.

Companies House

Information about core responsibilities of company directors will need to be incorporated into the job description and person specification where appropriate, and alongside reference to the ATH as appropriate.

Charity Commission

Core responsibilities for trustees may also need to be incorporated into the job description and person specification where appropriate to the role, and alongside reference to the ATH as appropriate.

Information about other local posts

The increasing diversity in roles renders this of lesser importance, but it is a valid consideration as a guide during the decision-making process.

This is not a definitive list; there may be other relevant documents in a specific context which need to be taken into consideration. See also the information about context and challenge in 'key documents'.

Qualifications

The DfE has a published list of school resource management training and support, which includes details of apprenticeships and other specific qualifications that are available to school business professionals. These can be considered alongside other UK-recognised qualifications in various individual disciplines, including finance, HR, marketing and education management, for example NPQs, CIPFA, CIMA, CIPD, ACCA, and AAT.

The School Staffing (England) Regulations 2009

The School Staffing (England) (Amendment) Regulations 2012

The School Teachers Pay and Conditions Document (STPCD)

The School Teachers Pay and Conditions: Guidance

DfE Staffing and employment advice for Schools

NJC Green Book

DfE Flexible Working in Schools

DfE Education Staff Wellbeing Charter

ASCL Business Leaders: Support Hub

National Governance Association (NGA) Executive pay: considerations for trust boards

ISBL Professional Standards Headteacher and governance guidance

ISBL Professional Development Guide

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