

Pay and Conditions for School Business Leaders

Guidance at a glance

This paper provides guidance to headteachers, principals, chief executive officers, school business leaders and governors in all types of educational setting when setting pay and conditions for school business leaders, school business managers, and other school leaders who carry out business-related functions.

It covers key aspects of the role and includes information to support the evaluation and decision making process

This paper looks in greater detail at the following:

- Section 1** ASCL position
- Section 2** Assessing need, including:
- job description and person specification
 - staffing structure and leadership framework
 - pay policy
- Section 3** Other important considerations, including:
- core accountability
 - determining pay
 - determining conditions
 - job evaluation schemes
 - points for academies to consider
 - points for maintained schools to consider
- Section 4** Useful information and further reading links

1 ASCL position

ASCL is committed to a system of national pay and conditions and will continue to appeal for a system which treats all leadership practitioners equitably. We have 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.

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

The increasing number of academies and other autonomous structures in education have afforded greater flexibility in the assessment of remuneration for SBLs and SBMs. 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, if appropriate a business case could be put forward by the individual requesting a review of their pay, following the guidance to determine the appropriate level of pay. If required, we are able to support members with undertaking a review.

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 documents. 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 DfE *Academies Financial Handbook 2018* in reference to the role of Chief Financial Officer (CFO) states:

*“The trust’s finance staff must be appropriately qualified and/or experienced. **Trusts should 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.** While a formal accountancy qualification may serve as a proxy for the necessary skills and experience required for this role, there is no presumption that there will always be a perfect match. Many CFOs combine financial responsibilities with other support and leadership duties where a formal accountancy qualification may be less relevant. The Institute of School Business Leadership’s Professional Standards indicate the main disciplines that the CFO role may cover.”*

Example 2: Maintained Schools

Changes introduced to the Schools Financial Value Standard for the Financial Year 2019/20 include the recommendation that:

“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. It is often the case that these roles are omitted from pay policy considerations.

Prompts to you assist 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?
- Is the role classified as a senior support staff role or a wholly inclusive leadership role?

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

Core accountability

Many SBL and SBM roles include core general accountabilities. Outlined in the ISBL Professional Standards, these areas include:

- leading support services
- finance
- procurement
- infrastructure
- human resources
- marketing

4 | Pay and Conditions for School Business Leaders

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 MATs which are more specialist, dependent on the staffing structure and organisation design.

Determining pay

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.

Determining conditions

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
- 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'.

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 SBL networks on local and national levels e.g. SBL groups/networks, delivering CPD, writing articles for publications, Schools Resource Management Advisor (SRMA), Specialist Leader of Education (SLE)

Points for academies to consider:

- Have you considered the references in the *Academies Financial 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 SBL 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 any 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 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.

We are also aware that it has been made clear to some colleagues 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. 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 49), 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.

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.

4 Useful Information and further reading links

ISBL Professional Standards

<https://isbl.org.uk/Standards/index.aspx>

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 Financial Handbook (AFH)

<https://www.gov.uk/government/publications/academies-financial-handbook>

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 AFH is reviewed and updated annually and should therefore underpin the regular reviews undertaken within the academy or trust.

Schools Financial Value Standard (SFVS)

<https://www.gov.uk/government/publications/schools-financial-value-standard-sfvs/2019-to-2020-checklist-guidance#b-strategy>

The standard for 2019 to 2020 consists of a checklist and a dashboard. 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

<http://www.cipfa.org/policy-and-guidance/reports/the-role-of-the-chief-financial-officer-in-local-government>

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

Companies House

<https://www.gov.uk/government/organisations/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 AFH as appropriate.

Charity Commission

<https://www.gov.uk/government/organisations/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 AFH 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 ie finance, HR, marketing and education management, for example NPQs, CIPFA, CIMA, CIPD, ACCA, and AAT.

Further information

The School Staffing (England) Regulations 2009

<http://www.legislation.gov.uk/ukxi/2009/2680/contents/made>

The School Staffing (England) (Amendment) Regulations 2012

<http://www.legislation.gov.uk/ukxi/2012/1740/contents/made>

The School Teachers Pay and Conditions Document (STPCD)

<https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

The School Teachers Pay and Conditions: Guidance

<https://www.gov.uk/government/publications/reviewing-and-revising-school-teachers-pay>

ASCL guidance: *Setting Pay for Executive Heads/Principals and Chief Executive Officers*

<https://www.ascl.org.uk/index.cfm?originalUrl=help-and-advice/guidance-papers/ascl-guidance-setting-pay-for-executive-headsprincipals-and-chief-executive-officers.html>

ISBL Employers Guidance (information for headteachers and governors on utilising the ISBL professional standards in the recruitment and retention of school business leaders)

<https://isbl.org.uk/Career-Development/NASBM-Professional-Standards-Interactive.aspx>

ISBL Review of Career Pathways and Qualifications (2018)

<https://isbl.org.uk/Training/Career-Pathways.aspx>

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