

EXECUTIVE PAY POLICY

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1. INTRODUCTION

Setting the framework for the pay of the senior executive leader (s) and the leadership team in Romero Catholic Academy Trust ('the Trust') is the direct responsibility of the Board of Directors. 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:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Directors are aware that compliance with the Academies Handbook is a condition of each academy trust's funding agreement. The Academies Handbook sets out the financial management, control and reporting requirements that apply to all academy trusts.

2. DECISIONS ABOUT EXECUTIVE PAY

The Academies Handbook 2025 sets out the following requirements in relation to executive pay: "2.27. 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 their remuneration. Decisions about executive pay may be challenged by DfE.

2.28. The board must discharge its responsibilities effectively, ensuring its approach to, and levels of, pay and benefits is transparent, proportionate and defensible. This must be documented in an agreed pay policy, which sets out the process for determining executive pay and includes:

- independent scrutiny by the board
- robust decision-making that demonstrates justifiable pay
- proportionality – that pay and benefits represent good value for money and are defensible relative to the public sector market
- documented decision-making with rationale and approval by the board
- 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."

Romero Catholic Academy Trust's Board of Directors is accountable and answerable for the decisions they make on setting pay and must 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. Therefore, the Board is accountable for levels of pay within Romero Catholic Multi Academy Trust.

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

Directors may, depending on role, take the following independent factors into consideration when setting pay and reviewing salaries:

2.1 ACADEMIC PERFORMANCE

Academic performance and the key outcomes of Romero Catholic Academy Trust will be factored into the responsibilities of all executive members, however the level of impact this will have on each decision should vary depending on the role in question.

When considering academic performance in relation to executive pay, directors 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 directors 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. (Appendix 1)

2.2 EDUCATIONAL CHALLENGE

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

Based on the context and circumstances of the Trust, directors may require additional expertise as a result of particular challenge in the educational setting to deliver a curriculum that meets the needs of your pupils. (Appendix 1)

2.3 FINANCIAL PERFORMANCE

It is important for directors to consider the financial position of the Trust when considering salaries, both in terms of budgeting and in the level of challenge because of the Trust's current financial performance. Decision-making by the board will be undertaken using reliable 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.

In addition to the factors set out above, directors 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
- Responsibility for engaging the local community (Appendix 2: sets out evidence to consider and possible questions to ask)

2.4 EXPERIENCE OF THE INDIVIDUAL

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

2.5 COST OF TOTAL REMUNERATION PACKAGE

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

2.6 FIXED-TERM APPOINTMENTS

Directors will further consider the most appropriate contractual agreement for each individual. Where the Trust is looking for an individual to achieve a specific purpose at a trust over a pre-determined timescale, it may be more appropriate to recruit on a fixed term contract.

2.7 PERFORMANCE MANAGEMENT, SALARY RANGES AND SALARY INCREASES

Decisions to award pay progression must be related to the individual's performance, as assessed through the Trust's appraisal arrangements.

The use of funds intended for education to pay large bonuses is a matter that has come under much scrutiny. It is important that Directors fully justify any potentially contentious decisions.

Pay increases are not awarded automatically. Pay ranges should 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 should always be considered in the context of the wider organisation. Rewards must be applied appropriately at all levels. Executive leaders are not solely responsible for the performance outcomes at Romero Catholic Academy Trust. It is important that awards for exceptional performance be applied across all levels. Executive leadership pay should not increase at a faster rate than that of teaching staff. Consideration should be given to the rate of increase across the board.

The Pay Ranges for the Executive Group within Romero Catholic Academy Trust are set out in Appendix 6. They are set against teachers/leadership pay scale (Burgundy Book) or Support staff pay scale (Green book) with access to the appropriate pension scheme.

(NB: if CFO/COO role is split, such role(s) may be included within the Executive Group Pay Structure)

2.8 BENCHMARKING

Benchmarking can be a very useful activity for directors 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. Where results show that the trust is at the high end of the benchmarking scale, directors will ensure clear reasoning and rationale as to why this is the case.

The Department for Education has a public benchmarking tool that includes information on staffing expenditure. A comparison of executive pay is not currently included as the Department does not hold data on each individual's executive pay, however, the tool can support identifying comparable trusts based on financial information. Establishing relationships with other schools may aid future decision making by providing the opportunity for more in-depth benchmarking.

Where possible, directors should aim to benchmark against individuals with similar responsibilities, as the responsibilities associated with different job titles vary across the sector. Directors may also wish to contact similarly sized trusts in the area to enquire about their levels of remuneration. (Appendix 3: sets out evidence to consider and possible questions to ask)

2.9 CHARACTERISTICS OF THE TRUST

Generally, larger academy trusts equate to bigger responsibilities. Trusts with a large number of academies across a wide range of provisions may require additional expertise in order to manage the trust

effectively. The following characteristics of Romero Catholic Academy Trust will be taken into consideration when setting salaries:

- Number of academies (including those about to join the trust)
- Number of pupils
- Range of provision
- The quality of provision and their financial effectiveness. This includes how much progress has been made by a school after having joined the Trust including pupil performance, finance, pupil numbers (Appendix 3: sets out evidence to consider and possible questions to ask)

2.10 LOCATION

Directors within Romero Catholic Academy Trust will consider whether a candidate's location should be factored into decisions about pay when considering levels of remuneration. (Appendix 4)

2.11 RATIOS

Decisions on executive salaries should not be made in isolation but should be considered alongside other salaries and the wider context of the Trust. While there are no ideal ratio figures to suit all trusts, it is important that the board considers these statistics alongside the individual circumstances of the trust to form the basis of discussion around whether costs are reasonable and relevant in the context of the trust.

3. GENDER PAY GAP REPORTING

The gender pay gap is the difference in the average hourly wage of all men and women across a workforce. The Trust with over 250 employees is legally required to publish the gender pay gap figures annually, on the Government's reporting portal and on the Trust website.

All trusts have an important role in helping to reduce the gender pay gap, in order to build a fairer society and ensure that everyone is able to reach their full potential.

Trusts are encouraged to consider evidence-based actions to address gender pay differences, including:

- Ensuring transparency to promotion, pay and reward processes
- Clearly communicate the salary range on offer

The Government Equalities Office has published guidance to help employers understand their gender pay gap figures and take the right actions, including advice on using evidence-based actions to close the gap, eight ways to understand your gender pay gap and a four-step guide to developing an action plan.

4. PENSIONS

The Teachers' Pensions Regulation 2010 and the Teachers' Pension Scheme Regulations 2014 mean academy trusts must put anybody who meets the criteria for the Teachers' Pension Scheme (TPS) into the scheme following the guidance that explains the eligibility of senior leaders. Eligibility of leaders is for the Trust to decide.

Where members of the Trust are not eligible for the TPS they will be enrolled into The Local Government Pension Scheme. The individual may choose to opt out of these pension schemes.

Directors must consider whether the individual is on the correct pension package that represents the best value for money for the Trust.

5. SUCCESSION PLANNING

It is important to give consideration to succession planning during recruitment, and not just when seeking a replacement. Individuals should not automatically be recruited at the same level as their predecessor.

6. PUBLIC SCRUTINY

As academies operate with the use of public money, executive pay must be proportional and defensible to the public sector market and should reflect value for money. Directors should consider the public perception and the public benefit of your decision while considering salary decisions.

7. OTHER RESOURCES

There are many other external organisations that may be able to offer additional training and support.

- Department for Education: Implementing your school's approach to pay
- Department for Education: Governance handbook and competency framework
- Confederation of School Trusts Code: Principles for determining executive pay
- The Charity Commission guidance: Trustee expenses and payments (CC11)
- The Charity Commission: Trustee Welcome Pack
- Confederation of Schools Trust
- National Association of Head Teachers
- National Governance Association.

APPENDIX 1 – EVIDENCE TO CONSIDER AND POSSIBLE QUESTIONS TO ASK

1. ACADEMIC PERFORMANCE

Evidence to consider:

- School's performance at Key Stage 2 and 4 accountability measures
- Ofsted rating
- Long and short-term educational targets of the trust

Possible questions to ask:

- How does performance compare with the national average?
- How does performance compare with the schools of trusts in the same area or which have a similar context?
- Have the schools improved since joining the Trust?

2. EDUCATIONAL CHALLENGE

Evidence to consider:

- Number and percentage of pupils in the school who are SEND pupils, FSM/disadvantaged, EAL pupils
- Level of deprivation
- Number of CLA pupils

Possible questions to ask:

- Is the level of complexity and challenge significantly above other similar-sized trusts?

3. FINANCIAL PERFORMANCE

Evidence to consider:

- The trust's deficit/surplus position
- The auditor's view of the trust - and the trust's progress towards implementing audit recommendations
- Requirement for additional financial support

Possible questions to ask:

- Is the trust in a financially stable position – both current and forecast?
- What level of improvement (if any) is required in order to reach a balanced budget position?
- How does financial performance compare with similarly sized trusts?

Specifically, when reviewing existing salaries:

- Has the trust delivered to its financial forecast under the management of the individual?
- Is the trust forecasting a deficit in the forthcoming 3-year period, in excess of the operating surpluses generated in the previous 3 years?
- Have the trust's pupil number projections been reflected in the annual census?

4. BROADER FACTORS THAT MAY INCREASE THE DEGREE OF CHALLENGE IN THE ROLE

Evidence to consider:

- Previous significant experience in improving educational and financial outcomes

Possible questions to ask:

- Does the level of complexity and challenge warrant a higher salary?
- How do the responsibilities of executives compare with trusts of a similar size and complexity?

5. EXPERIENCE OF THE INDIVIDUAL

Evidence to consider:

- Other relevant qualifications

Possible questions to ask:

- Is this level of expertise essential for the role?
- What value does this additional expertise bring?
- Remuneration levels of other individuals with this level of expertise (within the trust, or within other similarly sized trusts).

6. RENUMERATION OTHER THAN SALARY

What other benefits may be appropriate in lieu of salary (additional holiday, assistance with travel costs, health care benefits, other benefits).

7. FIXED-TERM APPOINTMENTS

Evidence to consider:

- Any intended outcomes of recruiting the individual (outside of business as usual responsibilities)
 - Specific problems at the trust that are going to be addressed through the recruitment of this individual
- Possible questions to ask:
- Is this level of expertise essential for the role?
 - What value does this additional expertise bring?
 - Remuneration levels of other individuals with this level of expertise (within the trust, or within other similarly sized trusts).

Possible questions to ask:

- Are there time restrictions on the responsibilities of the individual?
- What length of contract would be appropriate for achieving the desired aims?

8. PERFORMANCE MANAGEMENT AND SALARY INCREASES

Possible questions to ask:

- Does the level of staff turnover seem high and potentially indicate poor management practice?

9. BENCHMARKING

Evidence to consider:

- Trusts of similar size and challenge
- Other organisations, for example: Local Authority CEOs and Director of Children's Services (who generally have significantly greater responsibilities)

Possible questions to ask:

- Have any other local/similarly sized trusts recently recruited?
- Are there any organisations that may be able to provide benchmarking support?
- Is external independent advice required?

10. CHARACTERISTICS OF THE TRUST

Possible questions to ask:

- Does the size and provision of the Trust provided any additional challenges?
- How do similarly sized trusts remunerate their executive leaders?

11. RATIOS

Evidence to consider:

- Cost of salary per pupil when benchmarked against comparable trusts
- Cost of total leadership team compared to trusts of a similar size
- % difference between highest and lowest paid staff
- Rate of pay increase across the trust
- Senior leadership team cost as a % of total staff cost

Possible questions to ask:

- Is external independent advice required to determine a fair ratio?

12. SUCCESSION PLANNING

Evidence to consider:

- Required notice period
- Length of time required to recruit a replacement.

13. PUBLIC SCRUTINY

Evidence to consider:

- Levels of teacher pay within the trust – and how your proposed salary compares to these
- Salary levels in the local area
- National salary levels
- Justification in response to ESFA challenge of salaries over £150,000 (and publication on GOV.UK)
- Local and national media interest in salaries

14. LOCAL ECONOMY

Possible questions to ask:

- Does the salary demonstrate VfM and can you publicly justify paying the level? Is it in the best interest of the charity (trust)?
- Is the remuneration package proportionate and defensible in relation to the public sector market?

