ESFA introduces guidance for academies on setting executive pay

While there is no single approach to pay that will work for every trust, the guidance sets out key factors that should be used by academy trust boards when setting or reviewing executive salaries, so they are set at fair, reasonable and justified levels.

The guidance for <u>setting executive pay</u> enables boards to be confident and accountable for the decisions made on their executive salaries.

Lord Agnew, Parliamentary Under-Secretary of State for the School System said:

"Over the past 18 months, we have cracked down on excessive executive pay. However, our focus is not only on challenging trusts where we identify disproportionately high salaries, but in providing support to trusts to enable them to make robust, evidence-based decisions about pay."

"We expect trusts to make the most of this guidance to ensure that their salary levels are publicly justifiable and provide the best value for money for their institution.

Eileen Milner, ESFA chief executive said:

"We continue to keep a watchful eye on ensuring that excessive executive pay is challenged.

"It is crucial that executive salaries are set at a fair and justified level so that public funding is invested wisely on children's education.

"Our guidance will help support academies in their decisions on how much executive pay should be set, so that salaries can be set confidently at a reasonable limit."