

# Press release: Government orders non-compliant trusts to reduce excessive salaries

94 academy trusts have been ordered to justify the six-figure salaries of head teachers or chief executives, as the Government takes further action to curb excessive pay in academy schools.

Eileen Milner, ESFA chief executive, on behalf of Academies Minister, Lord Agnew has today (Friday 10 May) written to 63 trusts that have been newly-identified as paying multiple staff members in excess of £100,000 and 31 trusts that have failed to provide adequate justification for doing so, despite previous communication from the Government on the issue.

The Chairs of Trustees at all 94 trusts written to today have been asked to provide a rationale for paying six-figure salaries and offered advice on setting and structuring pay to ensure it is commensurate with the education on offer and the number of pupils educated by the trust.

A total of 213 academy trusts have been asked to justify high salaries in the last 18 months as part of a Government clampdown, and 50 have already altered salaries to ensure that pay is proportionate, reasonable and in-line with the overwhelming majority of trusts that comply with rules on salaries set out in government guidance.

Those trusts that have yet to respond to previous correspondence from Lord Agnew and the chief executive of the Education and Skills Agency, Eileen Milner, have been told to comply with this request, and provide evidence on 12 different aspects of their pay policy, including details of succession planning for highly-paid staff where trusts intend to reduce the level of salary in future.

Academies Minister Lord Agnew said:

The overwhelming majority of trusts are following the rules, and it is encouraging that 50 trusts have responded to our request to justify and revise high salaries, but I am determined to continue publicly challenging the minority that are not complying.

We are able to scrutinise academies much more closely than council-run schools, and this allows us to challenge trusts to use taxpayers' money as effectively as possible so that the standard of education continues to rise in schools right across the country.

Trusts receiving the letters will be required to provide information on twelve different aspects of their pay policy, such as providing a rationale for setting salary levels and evidence that a robust process has been

followed in line with the Academies Financial Handbook.

The letters follow the Department's most recent updates to the Academies Financial Handbook on setting executive salaries to ensure that all trusts are paying staff fairly and proportionately.

Today's announcement is part of the Government's efforts to ensure academies continue to help drive up standards in schools across the country – with more than half a million children now in Good or Outstanding sponsored academies that were previously underperforming council-run schools.

Earlier this year – to mark the milestone of 50% of children in state-funded schools in England now being taught in an academy or free school – Education Secretary Damian Hinds called for more schools to consider the freedom and opportunities offered by becoming an academy, urging them to join more than 8,300 schools in the country that have become an academy or opened as a free school, with hundreds of schools making the positive choice to convert to become an academy in the last 12 months alone.