

Executive Pay Policy & Procedure



Hartismere Family of Schools

2023 – 2024

This policy and procedure must be worked through prior to an alteration to Executive Pay

This policy is firmly rooted in the *Academy Trust Handbook*. It will be reviewed annually and at any point at which changes are issued in relation to the Academy Trust Handbook. The following represents an attempt to ensure that procedures and decision-making processes connected to executive pay are agreed in advance and are clearly and comprehensively documented.

At the moment, in the case of this Trust, the CEO also has a role as Executive Headmaster at Hartismere School and Executive Headmaster at Benjamin Britten Music Academy.

Principles:

All decisions about Executive Pay must be made by the Board of Trustees as a whole and not by any individual or sub group of Trustees.

The Board must ensure its decisions about levels of executive pay follow a robust evidence-based process and are reflective of the role and responsibilities undertaken by any executive officer.

The Board will appoint an Independent External Advisor to analyse the targets set for the Chief Executive Officer and advise the Performance & Steering Committee on the degree of success achieved.

The Independent External Advisor will carry out a benchmarking exercise and will seek to identify trusts of a similar size, complexity and with similar levels of challenge.

Specific performance targets will be set for the Chief Executive Officer including financial targets.

No individual, however senior, should be involved in deciding his or her remuneration.

The Board will consider what model will be adopted as the trust grows to ensure succession planning is in place.

The Board, and the minutes of any Board meeting at which executive pay is discussed, will ensure that the Board's approach to pay is transparent, proportionate and justifiable.

The process for determining the Chief Executive Officer's pay is agreed in advance and in a timely manner in accordance with the Action Plan (appendix A).

Procedural Checklist:

Has an independent external reviewer been appointed by the Trust board to provide quality assurance of executive pay processes in terms of the robustness of target setting and other matters referred to in this policy?

Have comprehensive records been kept of all aspects of executive pay processes and are these available to the Board in their entirety?

Have all potential conflicts of interest been clearly identified and managed?

Has the degree of challenge in the executive role been accounted for in this decision-making process and if so, how?

How has proportionality been taken into account in relation to any potential pay alteration? How does this pay award relate to other pay awards for similar roles and similar levels of performance? What benchmarking has taken place to ensure value for money in this instance?

How does this pay award relate to that given to other workers within the organisation to maintain internal organisational proportionality?

Is the financial management of the Trust currently in good order? Given the financial position of the Trust is the potential Pay award appropriate? Have financial targets been set?

How will the documentation and records in relation to this pay award be maintained for future scrutiny?

APPENDIX A

ACTION PLAN:

This action plan is designed to ensure that the Executive Pay Policy (2023-2024) is implemented in full and that it takes into account periodic changes in the *Academy Trust Handbook*. To be implemented annually in the Autumn term.

<u>TIMING</u>	<u>ACTION</u>	<u>RESPONSIBLE BODY</u>
1.	The Finance and Audit Committee to review the Academy Trust Handbook and associated material as this relates to Executive Pay matters with a view to recommending changes to the Executive Pay Policy and Procedure to ensure a maximum level of compliance.	Finance & Audit Committee
2.	Receive for scrutiny, challenge and potential approval the draft of the reviewed pay policy and procedure	Full Trust Board
3.	Chief Executive Officer's annual review undertaken. Independent External Adviser appointed by the Trust Board analyses the targets set for the Chief Executive Officer and advises the Performance & Steering Committee on the degree of success achieved and carries out a benchmarking exercise in relation to Executive Pay. Performance & Steering Committee forms a view and forwards a recommendation to the Finance & Audit Committee.	Performance & Steering Committee
4.	Finance & Audit Committee considers the recommendations of the Performance & Steering Committee and forwards its recommendation to the Trust Board.	Finance & Audit Committee
5.	The Full Trust Board employs the Executive Pay Procedure checklist in making a decision on any alteration to executive pay.	Full Trust Board
6.	All documentation and each aspect of the decision making rational is recorded and records are maintained for future examination by the Legal Clerk appointed by the Full Trust Board.	Trust Board appointed legal clerk