

Teachers' Pay Policy

Date Prepared:	Sept 2018
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Checked by (Trustee)	Business Group
Date ratified (where relevant)	17 October 2018
Review date:	Term 1 2019
Date Published on Trust website: 02 November 2018	

1. INTRODUCTION

- 1.1 This policy sets out the framework of Veritas Multi Academy Trust for making decisions on teachers' pay. It has been developed in consultation with staff, unions and HR.
- 1.2 In preparing this Policy we have considered the documents listed at Appendix 1 and the extracts from the Academies' Financial Handbook at Appendix 2.
- 1.3 In this Policy "**School**" means any of our schools, colleges or academies and "**Principal**" means any headteacher, principal or executive principal.
- 1.4 In this Policy the relevant pay ranges shall be those for Outside London.
- 1.5 We will have regard to the guidance attached to the current School Teachers' Pay and Conditions Document.

2. OUR OVERRIDING PURPOSE

Our aim is for all teaching in all lessons by all teachers in all our Schools to be good or outstanding to ensure the best possible education for all our pupils. This policy supports that aim by:

- supporting the recruitment and retention of a high quality teacher workforce
- recognising and rewarding teachers appropriately for their contribution to the school
- ensuring that decisions on pay are managed in a fair, just and transparent way
- focusing on the central importance of high quality teaching and learning, improving standards and making a positive impact on pupil progress and outcomes.

This policy refers to the **Teachers' Standards**. By way of a reminder, Part I of the Standards requires a teacher to:

1. Set high expectations which inspire, motivate and challenge pupils;

2. Promote good progress and outcomes by pupils;
3. Demonstrate good subject and curriculum knowledge;
4. Plan and teach well structured lessons;
5. Adapt teaching to respond to the strengths and needs of all pupils;
6. Make accurate and productive use of assessment;
7. Manage behaviour effectively to ensure a good and safe learning environment; and
8. Fulfil wider professional responsibilities;

Part II of the Standards requires a teacher to:

- demonstrate consistently high standards of personal and professional conduct;
- uphold public trust in the profession and maintaining high standards of ethics and behaviour, within and outside school, by:
 - treating pupils with dignity, building relationships rooted in mutual respect, and at all times observing proper boundaries appropriate to a teacher's professional position;
 - having regard for the need to safeguard pupils' well-being, in accordance with statutory provisions;
 - showing tolerance of and respect for the rights of others;
 - not undermining fundamental British values, including democracy, the rule of law, individual liberty and mutual respect, and tolerance of those with different faiths and beliefs;
 - ensuring that personal beliefs are not expressed in ways which exploit pupils' vulnerability or might lead them to break the law.
- have proper and professional regard for the ethos, policies and practices of the school in which they teach, and maintain high standards in their own attendance and punctuality; and
- have an understanding of, and always act within, the statutory frameworks which set out their professional duties and responsibilities.

3. DELEGATION OF POWERS FOR PAY DECISIONS

- 3.1 Decisions relating to pay awards shall be made in accordance with the chart below and in alignment with the Veritas MAT Scheme of Delegation.

Role	Recommender	Decision Maker/ Reviewer	Appeal
CEO	CEO Performance Review Group	Trust Board	Pay Appeal Panel
Other Leadership Team Members	CEO	Trust Board	Pay Appeal Panel
Upper Pay Range (including decision to join Upper Pay Range)	CEO	CEO	Pay Appeal Panel
Leading Practitioners (if applicable)	Line Manager	CEO	Pay Appeal Panel
Main Pay Range	Line Manager	CEO	Pay Appeal Panel
Unqualified Pay Range	Line Manager	CEO	Pay Appeal Panel

- 3.2 The Principal may choose to involve members of the School's Leadership Team in assessing evidence before making a decision or recommendation.

- 3.3 Our Leadership Performance Review Group shall comprise three non-staff trustees. It shall be supported by an External Adviser in relation to setting the Principal's objectives and appraising their performance. It shall receive a report from the Principal on the objectives and appraisal of the other members of staff on the Leadership Pay Scale and a recommendation in relation to pay. It shall report to the Trust Board (excluding staff trustees and as a confidential item) the objectives set for the Principal for the current appraisal cycle, the number of staff on the Leadership Pay Scale who were appraised during the appraisal cycle just reviewed, the number of such staff who were given an incremental pay increase on the Leadership Pay Scale, the total cost to the School of the staff on the Leadership Pay Scale for the current academic year following its pay decisions.

- 3.4 Our Pay Appeal Panel shall comprise three non-staff trustees not previously involved in the matter.

Informal Stage

A teacher who is dissatisfied with a pay recommendation has the opportunity to discuss the recommendation with the appraiser or Principal before the recommendation is actioned and confirmation of the pay decision is made by the school.

- 3.5 In the event that an employee is dissatisfied with a pay decision they may request a review by the decision maker which will involve a personal hearing held within 10 working days of the original decision and at which the employee may be accompanied by a co-worker or accredited trade union representative.
- 3.6 If the employee is dissatisfied with the pay decision after the review they may appeal within 5 working days of the review decision, in accordance with 3.1 above. An appeal hearing will be heard within 15 working days of the appeal. The employee may be accompanied by a co-worker or accredited trade union representative. The appeal decision is final.

4. LEADERSHIP PAY SCALE -

Leadership Scale Ref Points	2017-18 Salaries	Group							
		1	2	3	4	5	6	7	8
L1	39,965								
L2	40,965								
L3	41,989								
L4	43,034								
L5	44,105								
L6	45,211	1							
L7	46,429								
L8	47,500		2						
L9	48,685								
L10	49,935								
L11	51,233			3					
L12	52,413								
L13	53,723								
L14	55,063				4				
L15	56,432								
L16	57,932								
L17	59,264								
L18	60,755					5			
L19	62,260								
L20	63,805								
L21	65,383								
L22	67,007								
L23	68,667								
L24	70,369								
L25	72,118								
L26	73,902								
L27	75,734								
L28	77,612								
L29	79,533								
L30	81,514								
L31	83,527								
L32	85,603								
L33	87,732								
L34	89,899								
L35	92,135								
L36	94,415								
L37	96,763								
L38	99,156								
L39	101,573								
L40	104,108								
L41	106,709								
L42	109,382								
L43	111,006								

4.2 Neither a new post on the Leadership Pay Scale nor any vacant post on the Leadership Pay Scale will be advertised without prior approval of the Trust Board who shall set the appropriate range for the relevant role by reference to the current STPCD, taking into account roles and responsibilities relevant to the Veritas MAT staffing structure.

4.3 There is no right of appeal against the salary level to which a person is appointed.

- 4.4 Pay ranges for the Principal should not normally exceed the maximum of the Principal group. However, the Principal's pay range may exceed the maximum where the relevant body determines that circumstances specific to the role or candidate warrant a higher than normal payment. The relevant body must ensure that the maximum of the Principal's pay range and any additional payments made under paragraph 10 does not exceed the maximum of the Principal group by more than 25% other than in exceptional circumstances; in such circumstances, the Trust Board must seek external independent advice before providing such agreement and support its decision with a business case. Roles and responsibilities relevant to the Veritas MAT staffing structure must be taken into consideration.
- 4.5 TLRs and Project Bonuses may not be paid to employees on the Leadership Scale.

5. BASIC PAY DETERMINATION ON APPOINTMENT – CLASSROOM TEACHERS

- 5.1 Any vacant posts for classroom teachers will be advertised within the teacher pay scale depending upon the responsibilities to be undertaken.
- 5.2 On appointment, the Principal will determine the starting salary within those ranges to be offered to the successful candidate in conjunction with any trustee involved in the recruitment process.
- 5.3 In making such determinations, a range of factors may be considered including the following:
- The current salary earned by the candidate
 - The requirements of the post
 - Any specialist knowledge required for the post
 - The experience required to undertake the specific duties of the post
 - The wider school context
 - The local labour market for teachers of particular subjects
 - The candidate's academic qualifications
 - The candidate's experience of teaching
 - Any verified evidence of the candidate's responsibility for improvement in pupil progress achievement or attainment or in modelling school improvement
- 5.4 There is no assumption that a teacher will be paid at the same rate as they were being paid in a previous school but we anticipate it will be an unusual occurrence to pay less than the candidate was currently earning.
- 5.5 There is no right of appeal against the salary level to which a person is appointed.
- 5.6 Teachers employed on an ongoing basis who work less than a full working week are deemed to be part-time. We will give them a written statement detailing their working time obligations and the standard mechanism used to determine their pay, subject to the provisions of the statutory pay and working time arrangements and by comparison with the school's timetabled teaching week for a full-time teacher in an equivalent post.
- 5.7 Teachers employed on a day-to-day or other short notice basis will be paid on a daily basis calculated on the assumption that a full working year consists of 195 days; periods of employment for less than a day being calculated pro-rata.

6. PAY REVIEW PROCESS

- 6.1 All teachers can expect to receive regular, constructive feedback on their performance and are subject to annual appraisal that recognises their strengths, informs plans for their future development, and helps to enhance their professional practice. The arrangements for teacher appraisal are set out in the School's Teacher Appraisal Policy.
- 6.2 We will ensure that each teacher's salary is reviewed annually, with effect from 1 September and no later than **31 October** each year, and that all teachers are given a written statement setting out their salary and any other financial benefits to which they are entitled.
- 6.3 Where a pay determination leads or may lead to the start of a period of safeguarding, we will give the required notification as soon as possible and no later than one month after the date of the determination.

7. EVIDENCE BASE FOR PAY PROGRESSION FOR CLASSROOM TEACHERS

- 7.1 In coming to make a pay recommendation in the teacher's appraisal and in coming to make a decision on that recommendation or on an appeal in relation to that decision, a holistic consideration of all of the following evidence and sources of guidance will be given:

Evidence

- The teacher's self-appraisal
- The appraiser's mid-year and final reviews
- Information from line manager
- Data tracking pupil progress
- Lesson observations
- Learning walks
- Book reviews
- Work scrutiny
- Homework tracking
- Examination results
- Teacher's attendance and punctuality record
- Any additional evidence supplied by the teacher

Sources of guidance

- Job description for each role held by the teacher
 - The Teachers' Standards
 - Relevant Ofsted grade descriptors
 - The expectations of each role held by the teacher given the teacher's length of time in the profession
- 7.2 Our appraisal process will include an appropriate mechanism to ensure that performance objectives and pay recommendations to the relevant decision maker are moderated.
- 7.3 We shall ensure that those making pay recommendations and decisions are trained or experienced in such matters and have sufficient time to undertake the process.
- 7.4 As from 1 September 2014 there shall be no incremental pay rises on the Main or Upper Pay Range for Classroom teachers unless justified by relation to performance. There may be cost of living increases on the Main Pay Range or the Upper Pay Range but this cannot be guaranteed.

8. THE TEACHER/ADVANCED TEACHER PAY RANGE

8.1 Teachers on Bands 1 & 2 will be paid as follows:

		Outside London
Band 1 Teacher	M1	23,719
	M2	24,731
	M3	26,719
Band 2 Advanced Teacher	M4	28,774
	M5	31,042
	M6*	33,162 - 35,008

* The M6 range has developed as a result of prior year's flexibility in the adoption of pay uplifts

9. TEACHER/ADVANCED TEACHER PROGRESSION

Evidential expectation

9.1 As a teacher progresses through the range their objectives will naturally become more challenging and judgements will need to be based on secure evidence of:

- a) Increasing quality of teaching and learning
- b) An increasingly positive impact on pupil progress
- c) An increasing impact on wider outcomes for pupils
- d) Improvements in specific elements of practice identified in the appraisal process to the teacher
- e) An increasing contribution to the work of the School
- f) An increasing impact on the effectiveness of colleagues and staff.
- g) Increasingly good behaviour management
- h) Increasingly positive use of assessment for learning and differentiation

Standard progression

9.2 A teacher will **only** progress one point on the range if all of the following conditions are met in relation to the appraisal cycle:

- a) The teacher has fully met all the Teachers' Standards

- b) The teacher has substantially or significantly met all objectives set for the appraisal cycle
- c) The teacher has delivered teaching which is at least consistently good or better in the light of all evidence
- d) The teacher has brought about expected levels of pupil progress
- e) The teacher has not been issued with a formal warning under either the disciplinary or capability process (not overturned on appeal) during the appraisal cycle.

Further details of the criteria for progression in relation to the Teachers' Standards can be found in Appendix 3.

A teacher who has not met all of these conditions will not be entitled to an incremental pay award on the Main Pay Range.

Exceptional progression

9.3 A teacher may **exceptionally** be progressed two points on the Main Pay Range if:

- a) The teacher has fully met all the Teachers' Standards for two consecutive years.
- b) The teacher has fully met objectives set for two consecutive appraisal cycles
- c) The teacher has delivered consistently outstanding teaching for two years
- d) The teacher has brought about better than expected levels of pupil progress for two years.
- e) The teacher has not been issued with a formal warning under either the disciplinary or capability process (not overturned on appeal) during the previous two years.
- f) It is financially sustainable to award such a pay rise.

Further details of the criteria for progression in relation to the Teachers' Standards can be found in Appendix 3.

10. THE EXPERT TEACHER RANGE

10.1 Teachers on the Expert Teacher Range will be paid as follows:

2018-19		Outside London
Band 3	7	36,646
	8	38,003
	9	39,406

10.2 A qualified teacher within the School (even if not yet at point 6) may be assessed to be promoted to the Expert Teacher Pay Range. Only one such assessment may be made in an academic year during the appraisal cycle.

10.3 The Principal may only allow a teacher to join the Expert Teacher Pay Range if the Principal is satisfied that:

- a) the teacher is highly competent in all elements of the Teachers' Standards and
- b) the teacher's achievements and contribution to the School are substantial and sustained.

To pass these two tests, the teacher must demonstrate clear and secure evidence covering a period of at least 2 years of:

- All their teaching being at least consistently good with a significant proportion outstanding
- Excellent depth and breadth of knowledge, skills and understanding of the Teachers' Standards and of developing adherence to those Standards by colleagues
- Consistently positive impact on pupil progress to achieve or exceed expected outcomes
- Consistently positive impact on raising standards across the School, not just in the teacher's own classroom
- Effectively demonstrating to colleagues good and outstanding teaching and learning practice and how to make a contribution to the work of the School
- Effectively working collaboratively across the School in a wider role or outside the School
- Effectively leading and developing a team
- Effective or innovative use of CPD opportunities

The teacher must demonstrate that they meet all the criteria in the pay progression document for expert teacher range (appendix 3)

11. PROGRESSION THROUGH THE UPPER PAY RANGE

Evidential expectation

11.1 A teacher's objectives will become more challenging as they progress through the Expert Teacher Pay Range and judgements will need to be based on evidence of:

- a) An increasing and sustained high quality of teaching and learning
- b) An increasing sustained and consistently positive impact on pupil progress
- c) An increasing sustained and consistent impact on wider outcomes for pupils
- d) Improvements in specific elements of practice identified to the teacher
- e) An increasing sustained and consistent contribution to the work of the School
- f) An increasing sustained and consistent impact on the effectiveness of colleagues and staff

Standard Progression

11.2 A teacher will be recommended for a one point rise on the Expert Teacher Range if:

- a) They have remained highly competent and their contribution to the School has remained substantial and sustained for at least two consecutive years
- b) The teacher has been assessed under the appraisal process as having fully and consistently met the Teachers' Standards for two consecutive years
- c) The teacher's teaching has been mostly outstanding for two consecutive years for progress from Point 7 to Point 8 and wholly outstanding for two consecutive years for progress from Point 8 to Point 9 (See Appendix 3 for clarification).
- d) The pupils taught by the teacher have made better than expected progress over two consecutive years
- e) All of the teacher's objectives have been fully met for two consecutive years
- f) The teacher has not been issued with a formal warning under either the disciplinary or capability process (not overturned on appeal) during the previous two appraisal cycles.

Further details of the criteria for progression in relation to the Teachers' Standards can be found in Appendix 3.

A teacher who has not met all of these conditions will not be entitled to an incremental pay award on the Upper Pay Range.

No exceptional progression

- 11.3 A teacher may not progress more than one point on the Upper Pay Range every two years.

12. TEACHING AND LEARNING RESPONSIBILITY PAYMENTS

- 12.1 TLR1 and 2 payments are allowed only for posts of significant responsibility which are:
 - focused on teaching and learning
 - requires exercise of professional skills and judgement,
 - requires leading managing or developing a subject or curriculum area or pupil development across the curriculum,
 - has an impact on the educational progress of pupils other than the teacher's own class involves leading developing and enhancing the teaching practice of other staff.

A TLR 1 post must also involve management responsibility for a significant number of people.

- 12.2 TLR1 and 2s may only be awarded on a temporary basis to a teacher occupying the post temporarily for secondments, maternity cover, sick leave or vacancies pending permanent appointment. The teacher must be notified at the start of a temporary TLR1 and 2 of either the date or circumstances in which the temporary TLR 1 or 2 will end.
- 12.3 The values for TLR 1 for 2018/19 (which must fall between £7,853 and £13,288) are as follows:

No TLR1s are paid by a primary school within the Trust.

12.4 The values for TLR 2 for 2018/19 (which must fall between £2,721 and £6,646) are as follows:

£3,365

12.5 TLR1 and TLR2s may only be created as part of the staffing structure by the Trust Board.

12.6 We may make use of TLR3 between £540 and £2,683 per annum for time limited, clearly specified projects and will be paid on a monthly basis. Each such TLR3 must be advertised internally and requires prior approval of the Trust Board.

12.7 No TLR is payable to a member of the Leadership Pay Scale or the Leading Practitioner Range.

12.8 All TLR allowances are pensionable under the Teachers' Pension Scheme.

13. UNQUALIFIED TEACHERS

13.1 We may pay unqualified teachers on the following unqualified teachers' pay range:

	Outside London
1	17,208
2	18,746
3	20,697
4	22,650
5	24,605
6	27,215

13.2 Pay reviews for unqualified teachers shall follow the same process as for teachers on the Teacher Pay Range but taking into account the lack of Qualified Teacher Status and the need to evidence substantial progress to achieving the Teachers' Standards.

14. RECRUITMENT AND RETENTION ALLOWANCES AND INCENTIVES

14.1 The School will follow the requirements of the current STPCD in relation to the use of such allowances and incentives and will review the use of existing and future allowances annually.

14.2 Recruitment and Retention Allowances and Incentives require the prior approval of the Trust Board.

14.3 All Recruitment and Retention Allowances are pensionable under the Teachers' Pension Scheme.

15. SPECIAL NEEDS ALLOWANCE

Special Needs Allowances may be awarded in accordance with the current STPCD.

16. ADDITIONAL PAYMENTS

16.1 The School may only make additional payments to staff (including the Principal):

- a) for CPD outside of the school day;
- b) activities relating to the provision of initial teacher training as part of ordinary conduct of the School;
- c) participation in out-of-school hours learning activity agreed by the Principal;
- d) additional responsibilities and activities due to or in respect of the provision of service by a Principal relating to the raising of educational standards to one or more additional schools

on the following basis: teacher's hourly rate (for NSS commission rates see 16.4)

16.2 The total of such payments are regularly reported to the Trust Board/Local Governing Body.

16.3 All additional payments are pensionable under the Teachers' Pension Scheme.

16.4 **Commissioning Support as a National Support School**

As a National Support School, staff from Warden House involved in school to school support may be called upon to support. In order to recognise the additional workload supporting another school has on our capacity to maintain standards at Warden House and the additional workload for the member of staff in a supporting role, the following charges and remuneration levels are in place.

In commissioned support as a National Support School the chargeable daily rates (based on a 1 day being equivalent to six hours) for staff are:

- National Leader of Education rate is £500 per day
- Local Leader of Education rate is £400 per day (paid to the LLE's school)
- Senior Leader of Education rate is £350 per day (paid to the SLE's school)
- School based Senior teaching and teaching staff rate is £300 per day
- School based non-teaching staff is £150 per day

Schools in the Deal Learning Alliance will be charged 40% of the full rate for school to school support linked to a commissioned contract. In such cases, the remuneration will also reflect a 40% rate for staff supporting the commissioning plan.

In commissioned support as a National Support School the remuneration daily rates (based on a 1 day being equivalent to six hours) for staff are:

Warden House staff supporting commissioned work as part of commissioned support will receive the following remuneration in recognition of the additional work needed to ensure their support is effective:

- National Leader of Education remuneration is £150 per day.
- School based Senior Leader remuneration is £100 per day for members of the SLT.
- School based Non-SLT teacher remuneration is £50 per day for Middle Leaders and teachers.
- School based non-teaching staff remuneration is £40 per day.
- Local Leader of Education remuneration is £400 per day – The entire rate will be paid to the LLE's school

17. ACTING ALLOWANCES

Each School will follow the current STPCD which governs the use of acting allowances for persons temporarily filling roles on the Leadership Pay Scale.

18. SALARY SACRIFICE ARRANGEMENTS

Where such arrangements are in place the current STPCD shall apply to the relevant teacher.

19. BONUSES AND HONORARIA

- 19.1 Save as described below we may not as a matter of policy make any payment in the form of a bonus or honorarium.
- 19.2 The Trust Board may approve the creation of time limited Project Bonuses worth no more than £2,656. A person may receive no more than one Project Bonus in an academic year. A Project Bonus is only payable on the successful completion of a project. The availability of the project must be internally advertised to teaching staff. A Project Bonus may not be paid to a member of teaching staff on the Leadership Pay Range or a Leading Practitioner. A Project Bonus may not be paid for work under a TLR3.
- 19.3 As a matter of policy we will treat a Project Bonus as pensionable under the Teachers' Pension Scheme.

20. FREEDOM OF INFORMATION ACT

This policy is disclosable under the Freedom of Information Act.

21. RETENTION OF RECORDS

Given the ongoing need to ensure equal pay the School shall retain all paperwork relating to any decision whether or not to make a pay rise and shall not destroy any records until at least 7 years after the relevant employee has ceased to be employed by the School.

22. MATERNITY

- 22.1 A teacher who is absent from work on maternity leave at the time of the annual pay review in September/October, shall have a pay decision made on the basis of all available evidence for the previous appraisal year. This evidence may include the performance of pupils whom the teacher taught prior to maternity leave in exams taken during the teacher's maternity leave.
- 22.2 In the unlikely event of there being no evidence at all on which to base a pay decision because of a teacher's absence of maternity leave the School may make a pay decision based on the previous two years' performance and appraisals. The purpose of this provision is to ensure that a person on maternity leave is not unfairly prejudiced in her career progression. The School believes that this is a proportionate approach as it does not give an automatic pay rise but rather allows one that is connected to past performance.

23. MONITORING

Pay decisions made by the Principal will be monitored by the Trust Board. Pay recommendations/decisions for Leadership roles will be made by the Trust Board.

Appendix 1 Documents reviewed in Preparation of this policy:

DfE Advice and Model Policy

<http://www.education.gov.uk/aboutdfe/advice/f00224072/review-teacher-pay>

NUT/NASUWT Checklist

<http://www.teachers.org.uk/files/joint-checklist-4pp--a4--8674-.pdf>

NUT/NASUWT Model Academy Pay Policy

<http://www.teachers.org.uk/files/pay-policy-a4--8754-.pdf>

NUT/NASUWT Guidance

<http://www.teachers.org.uk/files/Joint-Guidance.pdf>

NUT Guidance to Representatives

<http://www.teachers.org.uk/files/rep-bulletin-pay-checklist-april-4pp--8717-.pdf>

DfE Letter re NUT/NASUWT Checklist

http://media.education.gov.uk/assets/files/pdf/1/130515%20sos%20ltr_AcademyAcademies-ocr%20-%20final.pdf

DfE Advice re NUT/NASUWT Checklist

<http://media.education.gov.uk/assets/files/pdf/n/information%20for%20AcademyAcademies%20on%20the%20nut%20and%20nasuwt%20checklist.pdf>

ATL Checklist

<http://www.atl.org.uk/Images/atl-pay-policy-checklist-april-13.pdf>

ATL Guidance on negotiating pay policies

<http://www.atl.org.uk/Images/atl-pay-policy-guidance-april-13.pdf>

ASCL Guidance Note

http://www.ascl.org.uk/resources/library/guidance_papers/guidance_papers_76_100/94_guidance_on_pay_policy_2013

NAHT Guidance Note & Model Policy

<http://www.naht.org.uk/welcome/advice/advice-home/staff-management-and-pay-advice/are-you-ready-for-the-changes-to-performance-related-pay/>

<https://www.teachers.org.uk/sites/default/files/2014/2017-18-pay-scale-points---national-joint-advice-online-version-final-august-2017.pdf>

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/636389/School_teachers_pay_and_conditions_document_2017.pdf

Appendix 2 Extracts from the 2017 Academies Finance Handbook.

The board of trustees of the academy trust has wide responsibilities under statute, regulations and the funding agreement. Principally, it is responsible for ensuring that the trust's funds are used only in accordance with the law, its articles of association, its funding agreement and this handbook.

The board of trustees has wide discretion over its use of the trust's funds, which it must discharge reasonably and in a way that commands broad public support. It is responsible for the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

The board of trustees must understand their statutory duties as company directors as set out in the Companies Act 2006. These comprise the duties to:

- act within their powers
- promote the success of the company
- exercise independent judgement
- exercise reasonable care, skill and diligence
- avoid conflicts of interest
- not to accept benefits from third parties
- declare interest in proposed transactions or arrangements

These duties are especially relevant when entering into transactions with connected parties.

The role of accounting officer (AO) includes specific responsibilities for financial matters. It includes a personal responsibility to Parliament, and to ESFA's accounting officer, for the financial resources under the trust's control. AOs must be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly:

- value for money – this is about achieving the best possible educational outcomes through the economic, efficient and effective use of resources. A key objective is to achieve value for money not only for the trust but for taxpayers generally. A full definition is included in Annex A.
- regularity – dealing with all items of income and expenditure in accordance with legislation, the terms of the trust's funding agreement and this handbook, and compliance with the trust's internal procedures – this includes spending public money for the purposes intended by Parliament
- propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of parliamentary control – this covers standards of conduct, behaviour and corporate governance

The AO must complete and sign a statement on regularity, propriety and compliance each year and submit this to ESFA with the audited accounts. The AO must also demonstrate how the trust has secured value for money via the governance statement in the audited accounts. Trusts are no longer required to submit to ESFA a separate value for money statement.

Whilst the trust's AO is accountable for the trust's financial affairs, for keeping proper financial records, and for the management of opportunities and risks, the delivery of the trust's detailed accounting processes will be delegated to a chief financial officer, who will perform the role of finance director, business manager or equivalent.

The AO must take personal responsibility (which must not be delegated) for assuring the board that there is compliance with the handbook and the funding agreement. The AO must advise the board in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the articles, funding agreement or this handbook. Similarly, the AO must advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the handbook or funding agreement. Where the board of trustees is minded to proceed, despite the advice of the accounting officer, the accounting officer must consider the reasons the board gives for its decision. If, after considering those reasons the accounting officer still considers that the action proposed by the board is in breach of the articles, the funding agreement or this handbook, the accounting officer must notify ESFA's accounting officer immediately, and in writing.

