

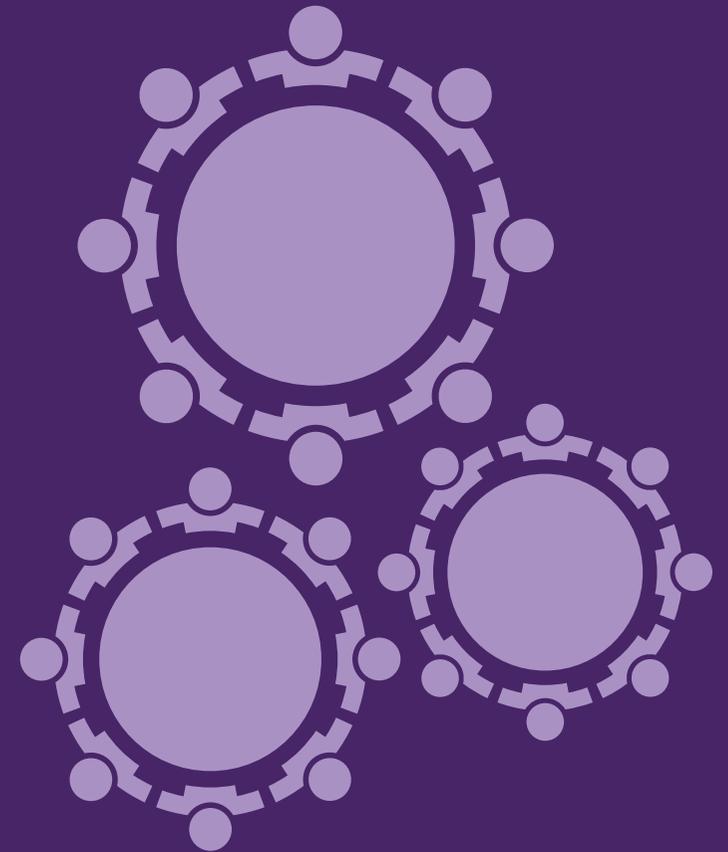
Governing in a multi academy trust

School governance in 2021

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www.nga.org.uk/governance2021

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Introduction

For the best part of a decade multi academy trusts (MATs) have been the Department for Education's (DfE) preferred model for schools and the number of MATs continues to grow. This year, the central push to see more schools join a group of schools as part of a trust has gathered renewed pace. In April 2021, the Secretary of State for Education strongly reinforced the government's commitment to increasing the number of schools that join a MAT, outlining its vision for ultimately "every school to be part of a family of schools in a strong multi academy trust".

Today 43% of state-funded schools in England are academies (including free schools, studio schools and university technical colleges). This includes 78% of secondary schools, 38% of primary schools, 41% of special schools and 44% of alternative provisions. This means that 55% of pupils studying in state-funded schools in England are being educated in academies and free schools. 86% of academies are now part of a MAT of two or more schools.

The annual school governance survey has been running since 2011 and is the largest survey of its kind. This report focuses on the experiences and practice of those governing in MAT settings: respondents include 728 trustees on MAT boards and 516 respondents who govern on local academy committees, often referred to as a local governing body (LGB). As the survey is anonymous, we do not know whether they are at the same trusts to our trustee respondents. MAT and academy committee respondents were asked about governance issues including trust board practice, communication between layers of governance, local governance, perceptions of being within a MAT, how trust boards determine CEO pay and their views on MAT growth.

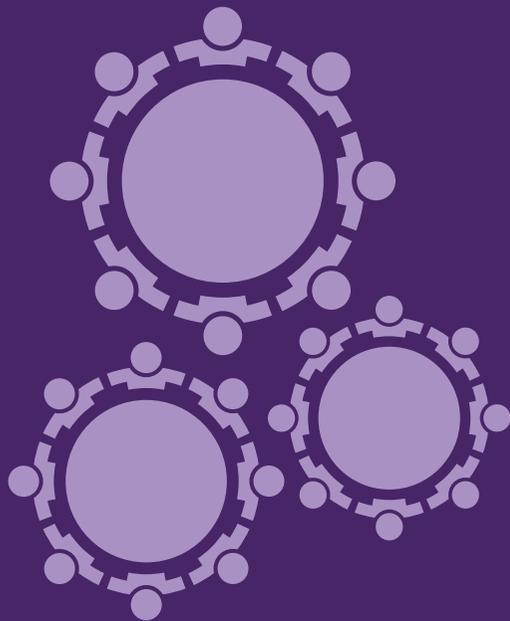
Key findings

- 01 Local governance is integral to the governance of the vast majority of MATs.** Just 3% of those governing MATs said they have no local tier. 88% of MAT trustees said their trust has some form of local tier of governance – 76% have one committee for every school within their trust and 12% have either a cluster/hub model or a local tier that covers more than one school.
- 02 Communication between layers remains positive.** For the second year in a row, communication between the trust board and the local tier is regarded positively as 59% of those governing locally (58% in 2020) state that communication between the local and trust board level is effective and well managed.
- 03 The importance of having significant separation between the layers of the governance is being understood.** Just 12% of MAT trustee respondents were also members of their MAT– this compares to 73% in 2020 and 32% in 2020.
- 04 The local tier has a consistently positive view of MAT executives and trustees.** 73% of local academy committee respondents feel that their voices are heard by executive leaders and trustees, compared to 73% in 2020 and 57% in 2019.
- 05 Trusts cannot afford to be complacent on achieving trust wide identity.** Just 60% of local academy committee respondents feel that their school feels part of one organisation with others within the MAT, down from 62% in 2019.
- 06 There is increasing recognition of the value the work of the MAT adds to individual schools.** 69% of local academy committee respondents said their MAT adds value to the work of the school, up from 65% when we last asked this question in 2018.
- 07 For the second year in a row, individual schools seem more willing to pool resources across the trust.** 52% of local academy committee respondents agreed that resources, including reserves, should be shared with other schools in the trust, up from 49% in 2020.
- 08 An increasing number of trusts are looking to grow.** When asked if they plan to expand the number of schools within the MAT in the future, 57% of MAT trustee respondents said yes, up from 53% in 2020.
- 09 Larger MATs are more likely to have experienced recent growth.** They were on average twice as likely than smaller MATs to report that they had increased their MAT size in the past year (26% versus 55%).
- 10 Just 5% of those governing in maintained schools said that they would be joining a trust in the near future.** LA maintained schools were less likely than single academy trusts to have considered joining a MAT.
- 11 MATs are more likely to be able to balance income and expenditure, retaining a healthy surplus compared to those governing in maintained schools.** This is a slight increase compared to 2020 for MATs.



Findings

Here's what MAT trustees and academy committee respondents told us about their governance structures, their experiences of governing in a MAT and their views on the future of their MAT.



Who responded?

MATs come in all shapes and sizes, and each trust board will face a different set of challenges and considerations based on the identity and make-up of their trust. Governing a MAT is very different to governing a single school, presenting vastly different challenges, and offering new opportunities accompanied by increasing risk. The story so far has been far from straightforward, as MATs have embarked on unfamiliar challenges over the past decade, a process which has been documented by NGA in our 2019 report Moving MATs Forward: the power of governance, and its follow up 2021 report, MATs Moving Forward.

Clearly the continued movement towards an increasingly academised system is not without complication, and it has had ongoing and significant implications for governance. Academy trusts must have a trust board who also act as company directors and are accountable in law for all decisions about their academies. Through a scheme of delegation, a MAT board delegates responsibilities to local academy committees, which may be in place for one or more schools within the trust. NGA avoids the term 'local governing bodies' as it can be perceived as suggesting the school tier of a MAT's

governance structure is equivalent to governing a standalone maintained school while, in fact, those governing at local level only make the decisions delegated to them by the trust board. This can sometimes mean they hold no decision-making powers at all. The way this is done in MATs differs, and this report sheds some light on local governance within MATs.

19% of respondents (N= 728) governed at MAT trust board level, 13% (N= 516) in an local academy committee or equivalent and 10% in a single academy trust while 1% didn't know. 56% governed in local authority (LA) maintained schools including federations.

While the proportion of MAT trustees has seen a three percentage point increase from 2020, the percentage of local academy committee and single academy trusts respondents have remained similar to 2020.

Of the MAT trust board respondents, 30% (N=200) were MAT chairs, 13% (N=87) were vice chairs with 45% (N=306) other trustees.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of academies	5,425	6,345	7,469	8,398	9,041	9,628
Number of LA maintained schools	16, 552	15,639	14,527	13,606	12,988	12,419
Number of pupils in academies	3,017,849	3,386,775	3,794,964	4,157,953	4,421,118	4,591,865
Number of pupils in LA maintained schools	4,958,662	4,699,037	4,358,261	4,080,856	3,892,370	3,750,656

Figure one, table detailing the number of schools and pupil numbers in academies and LA maintained schools in England from 2015 to 2021.



MAT governance structure and communication

MAT governance has evolved significantly over time, and when done well local intelligence is harnessed to enhance strategic decision-making. The number of models afforded to the MAT system is vast and the actual mechanisms for definitive local accountability being offered through MAT governance structures are still very much being unpicked. Governing at academy level within a MAT, or local governance differs enormously from trust to trust, but our findings over the years of conducting this survey have shown that many trusts choose to retain the local tier to similar effect. However, in the last few years we have seen more evidence to suggest trusts are experimenting, adapting and flexing in response to the evolving needs of the sector including in response to the COVID-19 pandemic.

There is a minimum requirement for all MATs to operate with at least two tiers in their governance structure – the members and the trustees. But as our survey shows, the vast majority of MATs continue to utilise and rethink the role of the local tier (eg local governing bodies/academy committees/academy councils) within their governance structure, with it remaining integral to their governance structure. As a post-COVID-19 era beckons, community perspective seen through the eyes of the local tier will be sought to assess the longer-term implications of the pandemic at school level.

Local tier

84% of MAT trustees reported having a local tier of governance for at least one school within their MAT. This is up from 82% in 2019. This is broken down by 76% having a local tier with a local academy committee in every school and 8% with a local academy committee covering more than one school.

A further 4% have cluster or hub committees for a number of schools. Just 3% said they have no local tier (9% answered don't know).

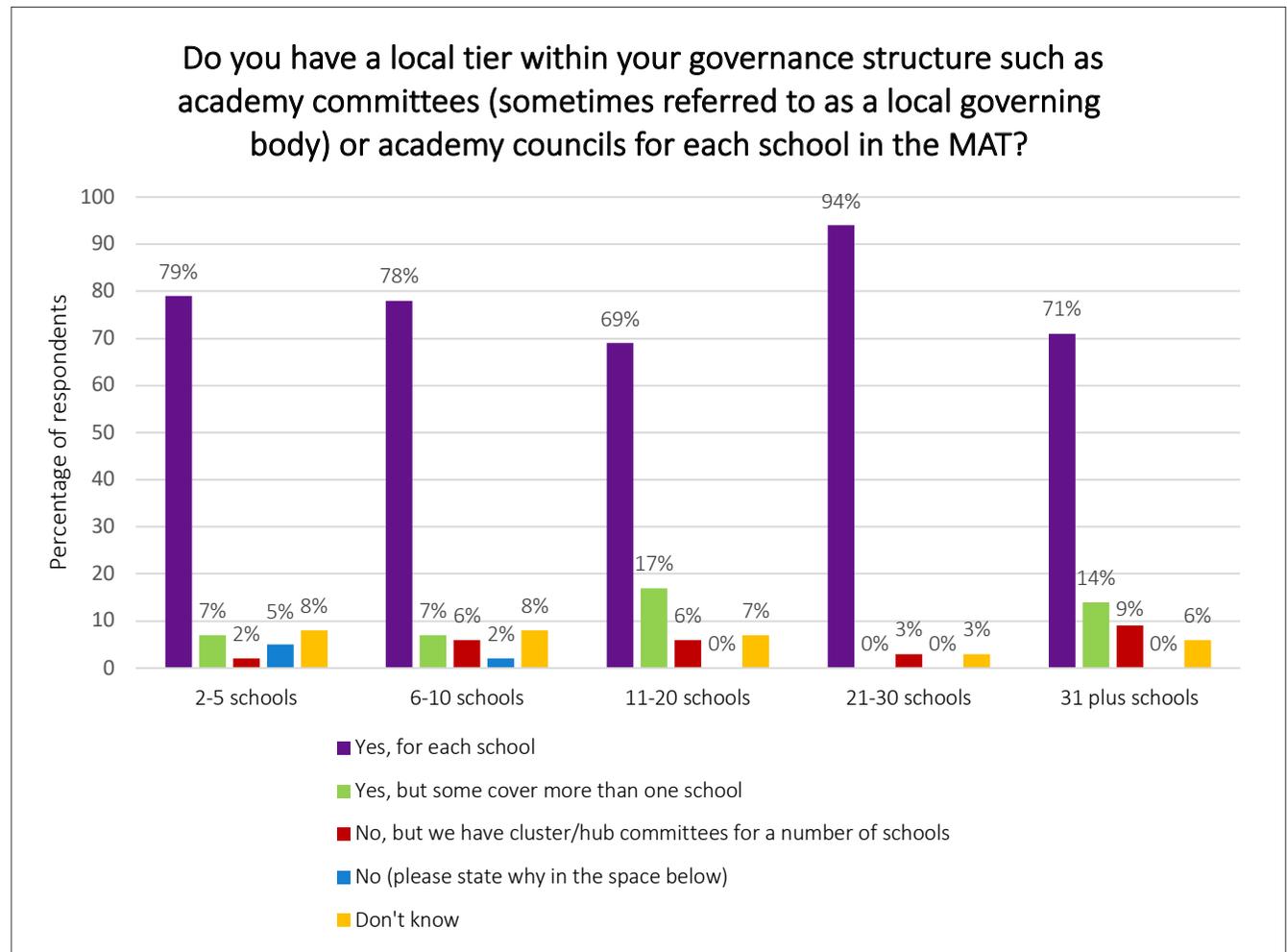


Figure two, chart detailing the percentage of respondents that have a local tier in their MAT.



This validates NGA's learning that MATs are increasingly looking to engage more positively with local voice through the local tier in order to achieve more effective governance. This is why the utilisation of the local tier remains so popular despite the flexibility in the system that technically allows trusts to exist without it. With a local tier a MAT can more widely engage with diverse voices in a way that directly impacts trust board decision-making, further enhances community relationships and achieves better buy-in to their MAT from individual schools. This combination can result in a collective sense of understanding and active support for decision-making across the MAT.

Having a local tier for each school is the most common answer for all MATs but especially prevalent in MATs of 21-30 schools (94%). Meanwhile medium and large MATs appear more inclined to use cluster/hub committees for a number of schools compared to smaller MATS.

Communication with local tiers

Governance in MATs demands an ongoing focus on multiple schools, and one of the most cited challenges to cementing a one organisation identity is how MATs communicate within their governance and leadership structures. Success for MATs is dependent on getting communication right. For those that reported having a local tier, the most popular methods of communication were:

- Regular local chairs' meetings (51%)
- Internal briefings (eg newsletter) for those governing/in management (44%)
- Trustees sitting/governing/observing at a local level (41%)
- Consistent clerking (using the same clerk for communication) (40%)
- Regular cross-MAT networking events (34%)

- A governance professional to co-ordinate governance (26%)
- Trustees who are also members of the trust (19%)
- Executives who are also trustees and/or members (15%)

The ability to meet remotely has been transformative, providing solutions to some communication issues that have plagued the MAT system for the last decade. It is notable that for the second year in a row we have seen a positive picture, with 59% of local academy committee respondents (58% in 2020) stating that communication between the local and trust board level is effective and well managed.

Communication methods

There is some clear variation in communication methods by MAT size. Smaller MATs are more likely to communicate by trustees sitting/governing/observing at a local level and by having consistent clerking (using the same clerk for communication). Both methods are easier to sustain for a smaller trust but history has taught us that trustee involvement at the local level can be problematic. Good communication should not be dependent on duplicating roles with individuals governing at several levels acting as a conduit for disseminating information. Good governance requires a separation of roles to ensure objectivity, lack of conflicts and avoid some individuals ending up with undue power and influence.

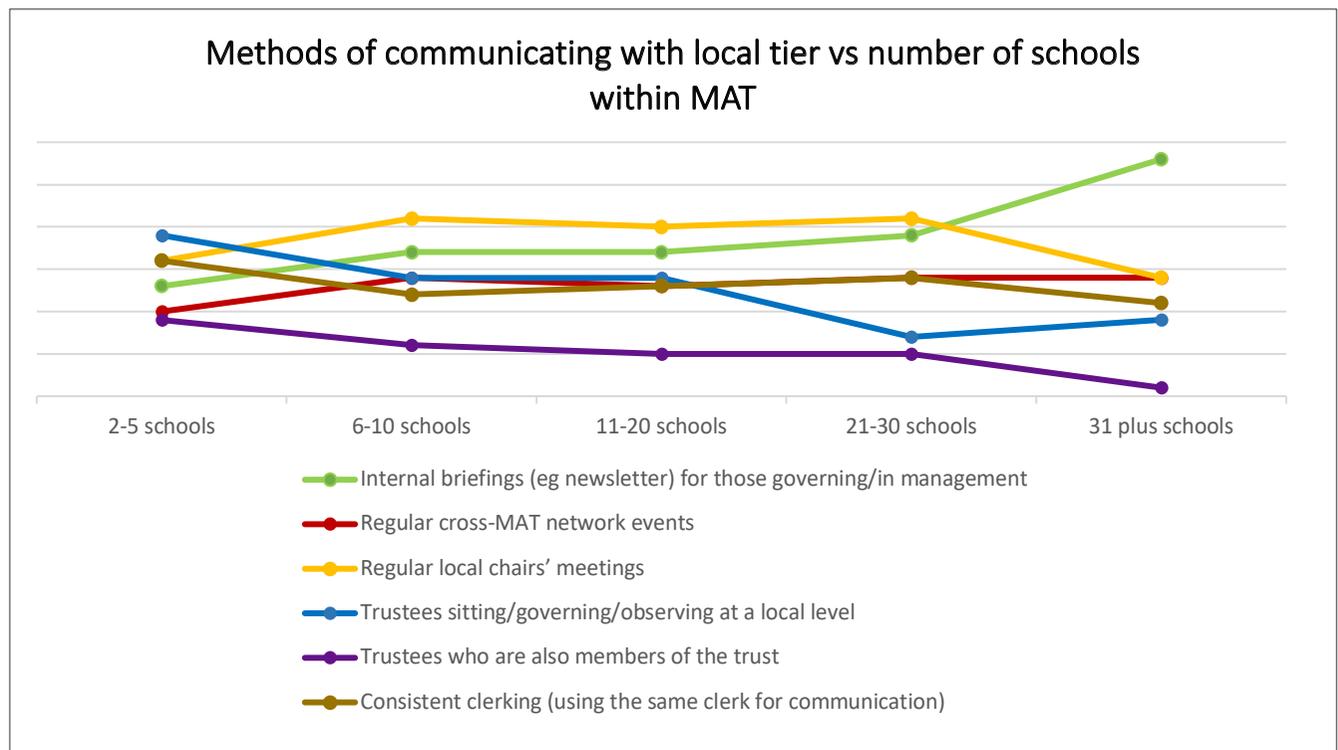


Figure three, graph showing use of communication methods by MAT size.



The degree to which a trust has grown reflects a slight change in communication methods. Larger MATs are more likely to communicate via internal briefings (eg newsletter) for those governing/in management. Larger MATs are also more reliant on a skilled trust wide governance professional to co-ordinate governance. This may in part be because larger trusts are more likely to have the resources to employ a professional dedicated to trust wide governance practice.

Governance professionals are a crucial component in setting high expectations for trust governance, yet not all MATs have chosen to make the same level of investment in the governance professional role. Investment in a trust wide governance professional can help ensure MAT governance communication channels are enhanced, and trust wide roles and expectations are understood.

Significant separation

For several years, NGA has lobbied the DfE to focus more on greater separation between members and trustees. The local governance tier should consist of a different set of people from the trust board to provide effective, objective decision-making. Today's iteration of the model articles of association and the Academies Trust Handbook are much more rigorous in their instructions, requiring all trusts to have significant separation (the majority of members different from trustees), noting that members sitting on boards can reduce objectivity for exercising member duties. Neither currently specify anything about having the same individuals at trust board and local tier level.

Nearly three-quarters of MAT trustee respondents (71%) did not have any other role in the trust – so they exclusively sat as MAT trustees, while 14% sat on the local tier and 12% of trustees were also MAT members – a significant decrease from 32% in 2020 (3% were staff members). This reflects a drive from NGA, the Education and Skills Funding Agency (ESFA) and the DfE to increase the separation between governance layers.

However, of those who have an additional role in the MAT, 63% were chairs, which may in part be explained by reports from many trust boards that their articles of association still stipulate the chair of trustees should be a member. While there is no requirement for trusts to take legal advice when updating their articles, and many trusts do successfully update their articles without external support, some trusts remain cautious or simply do not prioritise updating their articles. As MAT governance arrangements must always comply with the trust's current articles, this can and has led to outdated practice being retained.

Perceptions of being in a MAT

MATs are single organisations, not a collection of partnerships between individual organisations – they have one trust board which governs the organisation in its entirety. Viewing the MAT as a single organisation is one of the major hurdles for the sector. Failure to create a 'one organisation' mentality can undermine the authority of the executive team and trust board and can lead to misunderstanding surrounding who is accountable and in charge of individual schools. Securing acceptance of the MAT identity and identifying as part of the trust has clearly been a challenge for some trusts. In some

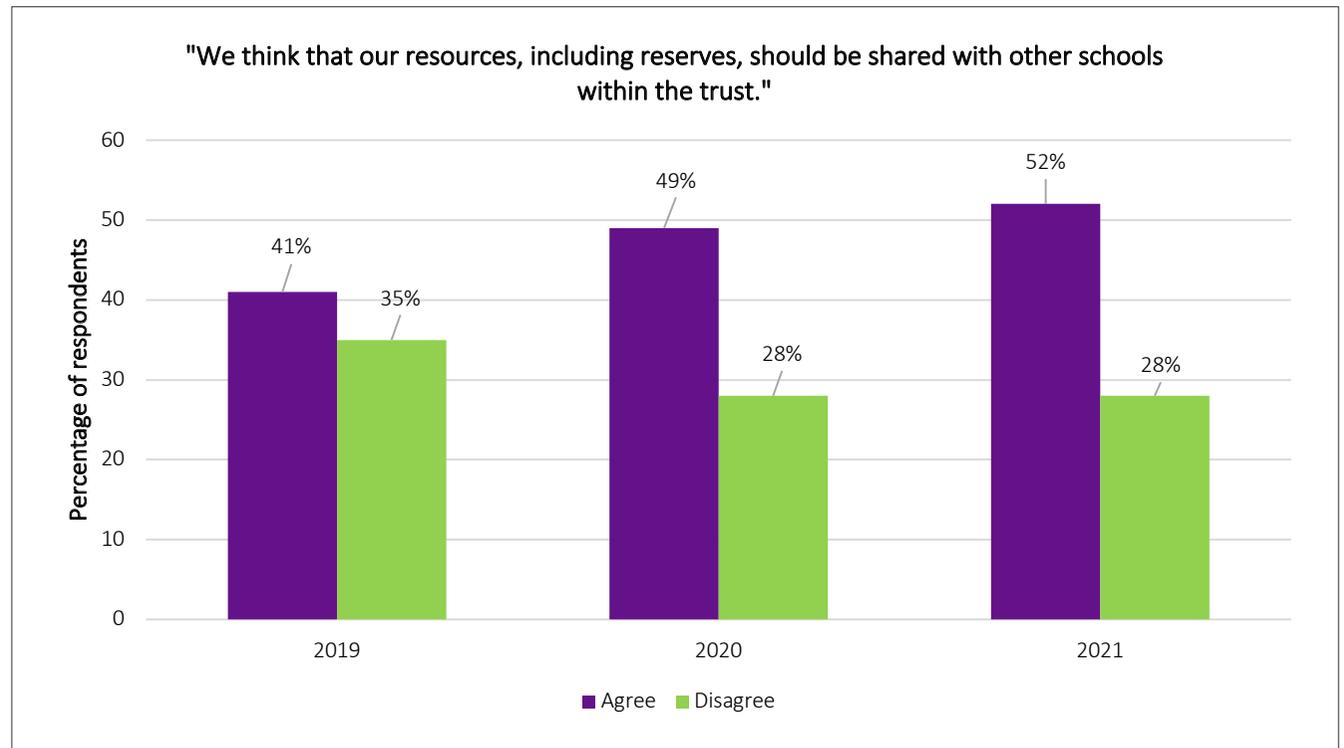


Figure four, percentage of respondents agreeing/disagreeing that their schools resources, including reserves, should be shared with other schools within the trust.



there may exist a degree of distrust and suspicion from local communities, viewing MATs through a corporate lens. In reality it often remains the role of the local tier to offer a MAT a legitimate passage to establishing itself as a community player, but this is dependent on the perceptions of the MAT of those within the local tier itself.

Respondents governing at academy committee level were asked whether they agreed or disagreed with various statements about their MAT to obtain a clear picture of how the perceptions of MATs are developing from a local tier perspective.

Only 60% feel that their school is part of one organisation with others within the MAT – a drop from 62% in 2019. This may in part be explained by the impact of the pandemic, where we know some trusts temporarily halted local governance. But while there is clearly more work to be done on achieving a sense of organisational identity, 69% stated that their MAT adds value to the work of the school, up from 65% when we last asked this question in 2018.

73% of those governing locally feel that their voices are heard by executives leaders and trustees. This paints an increasingly positive picture when compared to the findings of 2019 where only 57% said the same. While the 2021 and 2020 findings delivered the same overall proportion of people agreeing with this statement, 2021 saw an eight percentage point increase in those that moved from agree to strongly agree, further evidencing that MATs are improving the way they engage with the local tier. 72% also reported that roles and delegated responsibilities are clearly defined and communicated (the same as 2020).

There was a slight fall in the proportion of respondents who were happy with the current level of responsibility delegated by the board of trustees at 68%, a drop from 71% in 2020, and 72% in 2019. This steady drop may reflect the increasing drive for centralisation within trusts, and the fact that more trusts are removing delegated financial powers from local level.

63% of those governing locally believe that their MAT is engaged with parents and the wider school community, a figure which holds steady from 2020, but still reflects that there is more work to be done in this area.

For the second year in a row there is a shift in attitude with the proportion of respondents agreeing that resources, including reserves, should be shared with other schools in the trust increasing to 52% from 41% in 2019. The centralised role of MAT finance, both governance and management, has been much debated, with many schools within trusts reluctant to give over the control of their finances to the central MAT function. The trust does not have to seek permission but the level of opposition from schools – often both leaders and those governing locally – has led trusts to choose not to fight this battle.

MAT size

The complexities of running MATs are often thought about in terms of the size of the trust. Trust size tends to be classified by the number of schools within it, but the number of pupils is also a pertinent consideration. For example, schools are funded based on the number of pupils in schools.

MATs with between 11-30 schools saw the biggest jump in survey respondents going from 12% in 2019, 14% in 2020 to 19% in 2021. Interestingly small MATs (those with 2-5 schools) also saw a resurgence in survey respondents from 35% in 2020 to 43% in 2021, but this will also reflect the increasing number of MAT respondents generally.

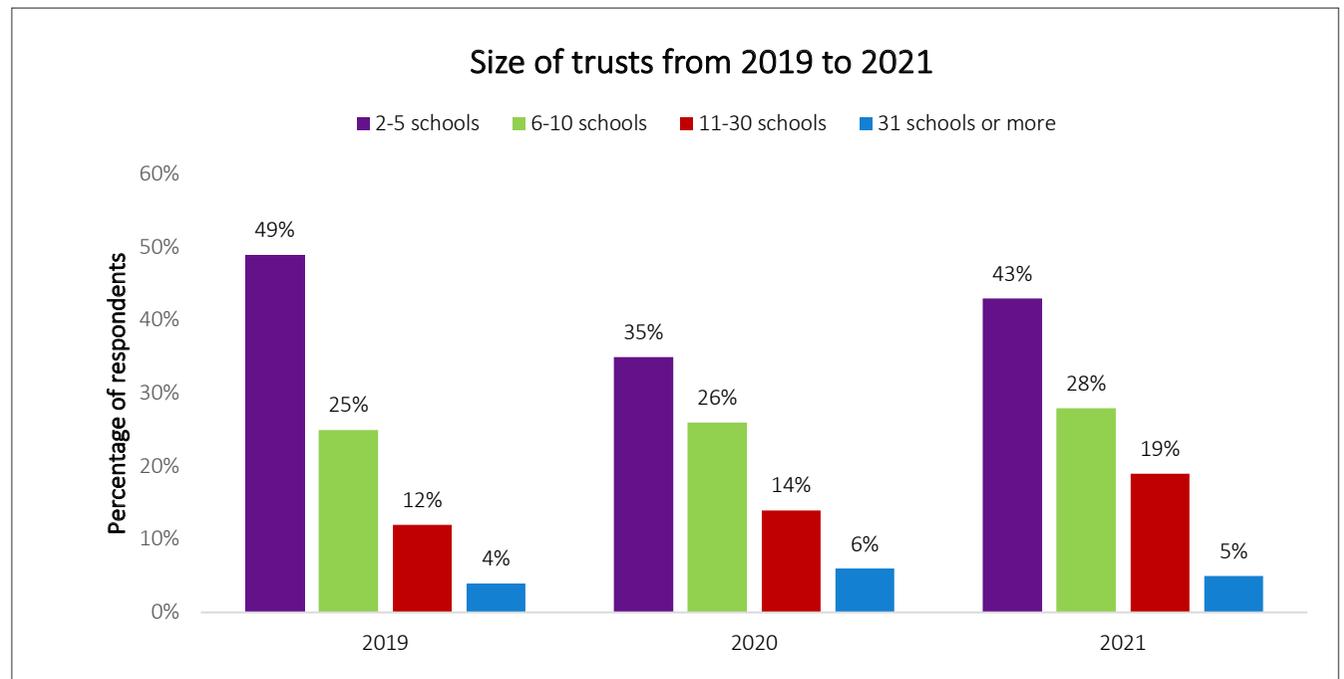


Figure five, graph showing the number of schools in respondents' MATs from 2019 to 2021.



MAT growth and perceptions on academisation

There has been an almost continually changing view as to the most effective size and the importance of the geographical proximity of the schools. There are different advantages and disadvantages to being small or large. The lessons hard learned by those MATs who previously did not manage growth well seem to have permeated the sector. There are far fewer reports of trusts growing exponentially, with trust boards instead taking time to consider what is best for their pupils and if they have the capacity to share what they are doing well with others. While during the pandemic structural change was not at the top of anyone's agenda, the Secretary of State's speech in April 2021 has reinforced the government's commitment to increasing the number of schools that join a MAT. This came with the addition of a new 'try before you buy' scheme that enables schools and trusts to assess a cultural fit before either sign on the dotted line. The increasing growth of trusts in response to this will likely emerge steadily over the next couple of years.

When asked if they plan to expand the number of schools in the MAT in the future, 57% of MAT trustee respondents said yes. Compared to 2020, this is an increase of four percentage points for those who have plans to expand their MAT and a decrease of five percentage points for who do not plan to expand. While this is a clear upturn in the number of trusts looking to grow compared to last year, given the growth rhetoric coming from the government in 2021, it is perhaps surprising that this number is not greater.

Regionally, the location of trustees who were most likely to say their MAT planned to grow are:

- North West (74%)
- London (67%)
- South West (63%)

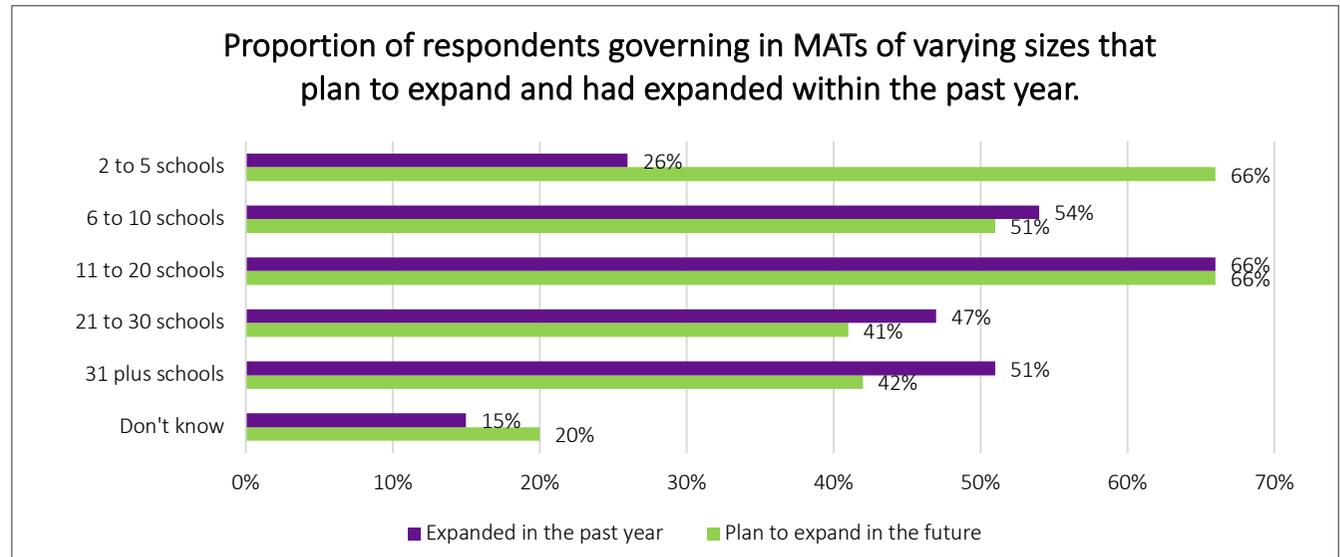


Figure six, proportion of respondents governing in MATs of varying sizes that plan to expand and had expanded within the past year.

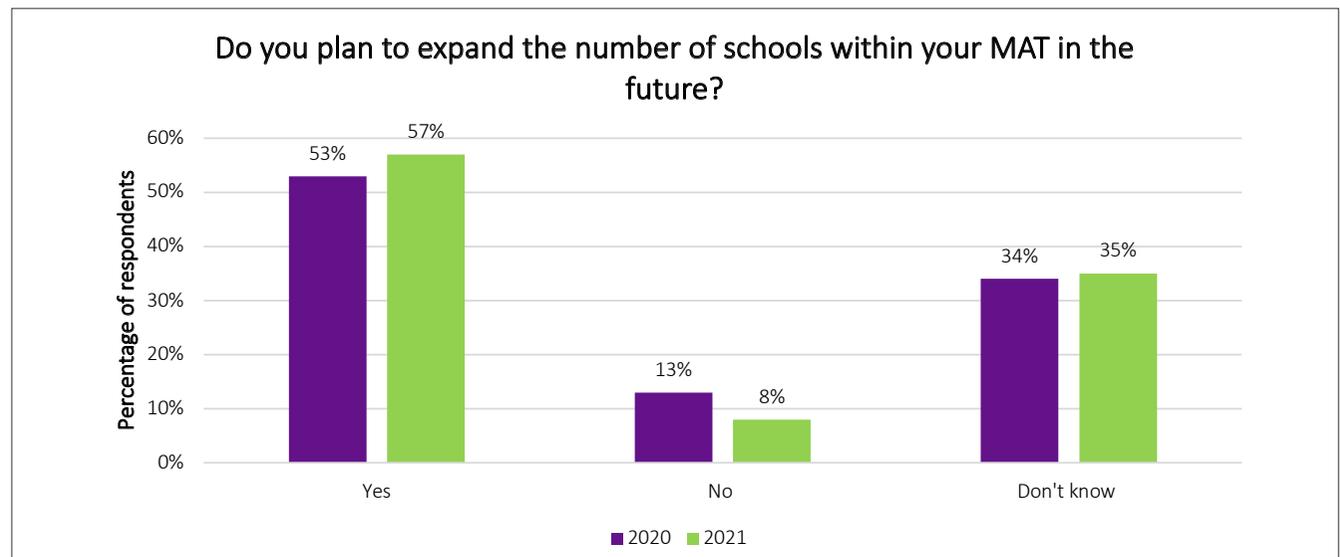


Figure seven, respondents' plans to grow the number of schools in their MAT in the future.



This year's findings suggest that MATs that plan to expand in the coming year are more likely to have avoided growth in the previous year (56%) compared to 41% who did expand in the previous year. This indicates a more cautious approach to growth than in previous years, with more trusts avoiding a default position of growing year on year, instead choosing to pace themselves to allow time for the trust to assess capacity before pursuing further growth. It also appears to be the case that MATs that do not plan or are reluctant to expand going forwards were also more likely to have avoided growth the previous year (79%) compared to those that grew (19%). This indicates that growth is either not a priority for all trusts or is proving problematic for others.

Reasons for wanting to grow MAT – looking ahead

Respondents were then asked what the main reasons were behind wanting to expand their MAT in the future and were asked to tick all answers that applied. The most popular reasons for growth in order were:

1. Improving outcomes for more pupils (71%)
2. Part of our strategy (59%)
3. We have not reached optimal size (44%)

While economies of scale is largely recognised as one of the benefits of forming and growing groups of schools, 'financial efficiency' as a reason for growth actually saw an 18 percentage point decrease in popularity down to 30% from 48% in 2020. While balancing the budget continues to be a huge issue for all schools, this finding shows that more MATs are aware that increased financial efficiency is not guaranteed simply by virtue of the number of schools taken on and key lessons from the trusts that have grown too quickly in the past appear to have been learnt.

Growth is an issue that all MATs will almost certainly face either now or at some point in the future and will therefore seriously need to consider their strategy for growth. In reality most MATs

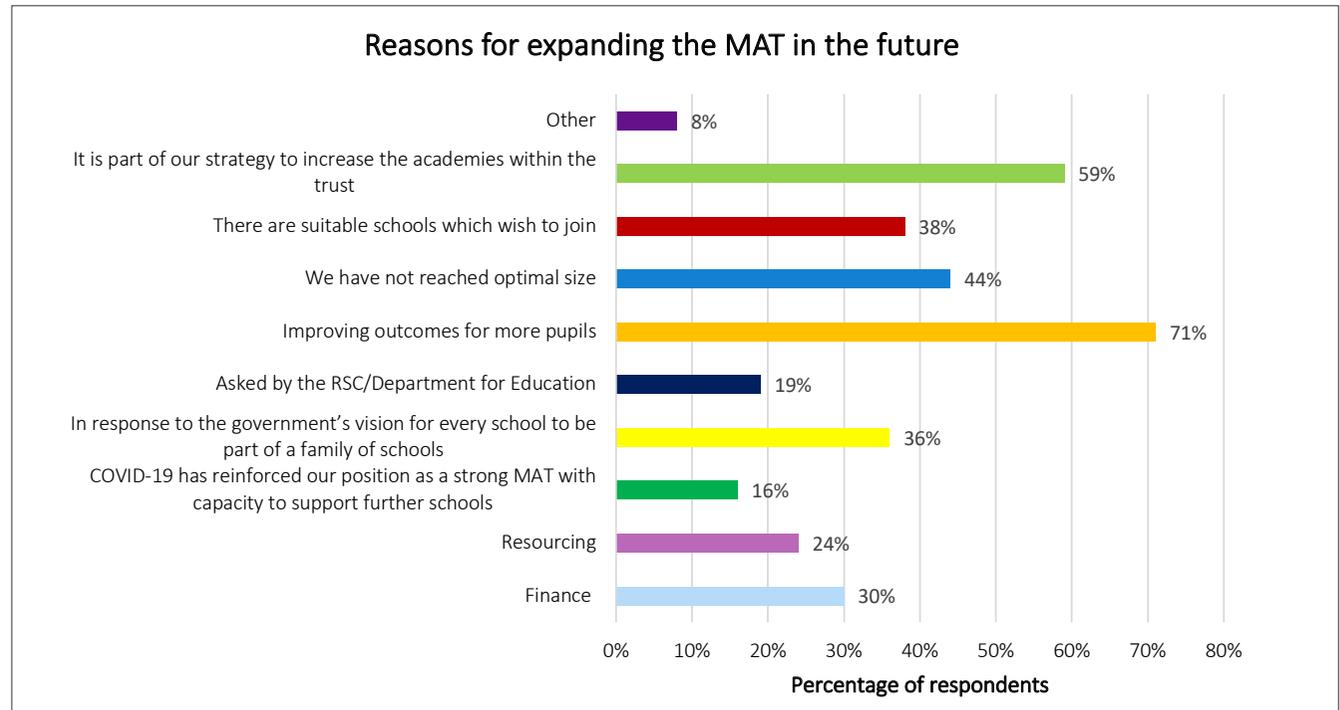


Figure eight, respondents' reasons for wanting to expand their MAT in the future.

are still fairly small although it is interesting that some MATs have an idea of what an optimal size would look like for them. The DfE tried for a number of years to model the financial sweet spot, but conclusive work on this has not emerged. There will be different drivers for growth and trusts at different stages. When cross examining our findings with MAT size we found:

- For MATs that already had 31+ schools in them, future expansion weighed more heavily on being asked by the RSC/DfE than smaller MATs. This was nearly double as much as any other MAT size.
- Both large MATs (31+) and medium sized MATs (11-20) were the least likely to report that they had not reached optimal size (0% and 10%).

Some MATs in the past opened with plans for growth that have not materialised, sometimes because of the legacy of single conversion but also because of a lack of strategic planning. Some have turned further afield to try and realise the ambition of growth, spanning beyond geographical locations they originally felt comfortable with. But NGA is also aware of some MATs that simply do not want to grow beyond a certain size or outside the confines of a certain geographical area, and others that recognise the need to pause growth for a sustained period of time to avoid capacity issues.



The top three reasons for not wanting to expand from our respondents were:

- We do not wish to expand for the sake of expanding (69%)
- We are concerned that expanding may negatively affect outcomes of current pupils (22%)
- There are not suitable schools who wish to join (20%)

Variances via size:

- MATs with 2-5 schools were most likely to select the option 'resourcing' as a reason not to expand compared to other MAT sizes
- MATs with 21-30 schools most often felt they had reached optimal size

Growth in past year – looking back

41% of respondents reported having increased the number of academies within their MAT in the past year while 49% said they had not and 10% did not know. Over a third of those who answered 'don't know', had been governing for less than 12 months which may in part explain a lack of knowledge on this topic.

Levels of growth was highest in the following regions:

- South West (57%)
- West Midlands (48%)
- East of England (47%)

The main reasons for growth in previous year reflected broadly the same reasons for the desire for future growth:

- Improving outcomes for pupils (55%)
- Part of our strategy to increase the academies within the trust (50%)
- There are suitable schools which wish to join (44%)

Meanwhile finance was sixth out of the seven options at just 15%.

While many smaller MATs (2-5 schools) do have a growth strategy in place, they were less likely to report having actually increased the number of academies within their MAT (26%). Meanwhile medium and large MATs were more likely to report the materialisation of growth, but interestingly it was MATs of 11 to 20 schools in particular that were most likely to have grown (66%). This compares to 54% of trusts with 6-10 schools, 47% of trusts with 21-30 schools and 51% of trusts with 31 schools or more. This suggests that growth may become more targeted once trusts have breached a certain tipping point where further growth is seen as a priority to develop and resource centralised services.

Interest in joining MAT

Despite the strong message from the government on academisation, it remains the case that academisation is still a choice, only mandated through intervention reasons. Many of the schools who have declined the invitation to academise in the past are maintaining that stance.

Those from LA maintained schools were most likely to say their board has not considered joining a MAT (63%) or to have considered but decided against it (12%). It is a notable finding that just 5% of respondents from maintained schools positively said that they would be joining a trust in the near future. These findings do not show any upward turn when compared to last year despite the announcement from the Secretary of State in April.

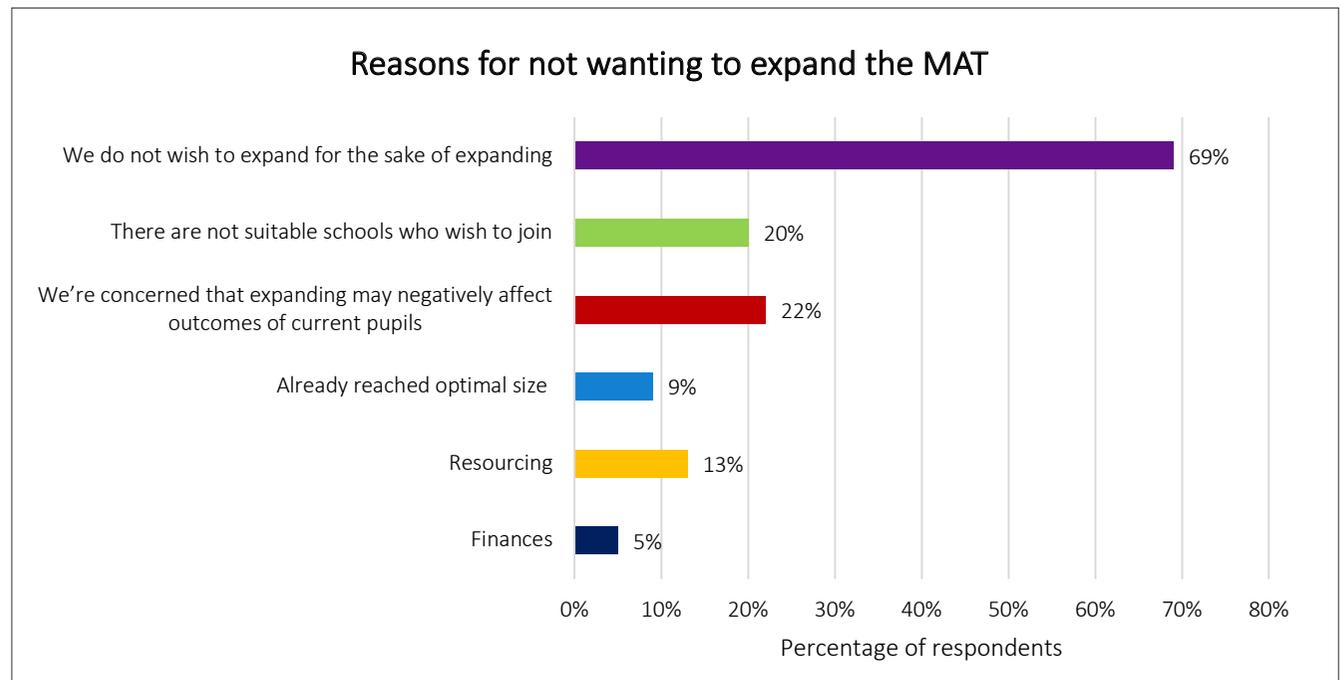


Figure nine, respondents' reasons for not wanting to expand their MAT.



Those respondents from single academy trusts (SAT), while three times more likely than maintained schools to have decided to join a MAT (15% v 5%) were still fairly resolute in their decision to stay as they are, with 43% not having considered joining a MAT at all and 24% deciding against it after considering it. Compared to 2020 however there was a six percentage point increase in SATs deciding to join a MAT in the near future.

Overall compared to 2020, there was an increase in those not considering joining a MAT. Where schools did decide to join a MAT the top reasons given were:

- Improving outcomes for more pupils (62%)
- Resourcing (42%)
- Finances (37%)

MATs and money

All trust boards should have an overarching strategy for achieving the vision of the trust, with key priorities that contribute to the success of the strategy. The budget should be planned to meet those strategic priorities. Respondents were fairly evenly split with regard to their view of whether the trust is sufficiently funded to deliver that strategy to meet the needs of all pupils. 47% of MAT trustee respondents answered no while 44% said they were, with a further 9% saying they did not know. It should be noted that this question is about having enough money to achieve the ambition of the trust, and not all trusts will have the same vision for their trust and its pupils.

Meanwhile over half of local academy committee respondents (53%) believe that their school is insufficiently funded to deliver the vision and strategy to meet the needs of pupils.

Despite this, those governing in a MAT are more likely to be able to balance income and expenditure, and/or retain a healthy surplus compared to those governing in maintained schools (78% vs 70%). In 2020 we asked boards what the

	% of LA maintained schools	% of single academy trusts
Considered joining a multi academy trust but decided against it	12%	24%
Decided to join a multi academy trust in the near future	5%	15%
Not considered joining a multi academy trust	63%	43%
Don't know	9%	7%
Other	11%	11%

Figure ten, consideration of joining a MAT from LA maintained school and single academy trust respondents

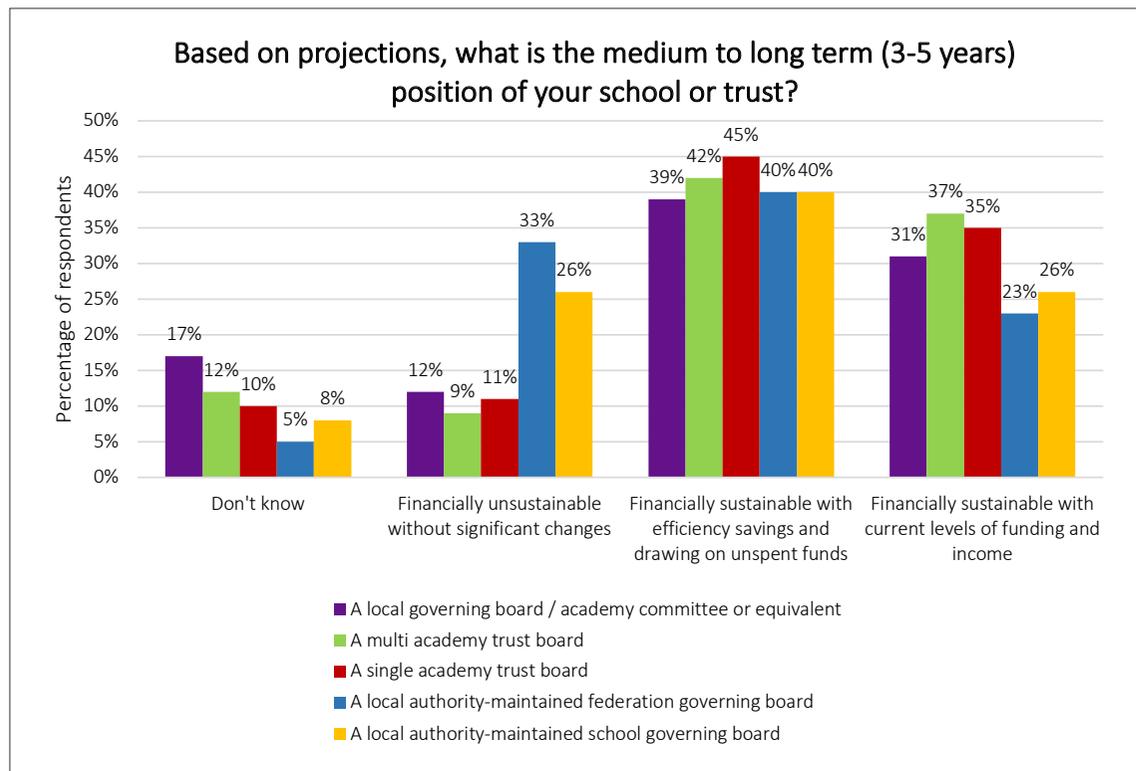


Figure eleven, respondents' medium to long-term financial position.



biggest issues they faced were, and while balancing the budget was the number one issue as it was for all school types and structures, it was significant that the percentage of those in MATs choosing it (34%) was lower than the 43% of those governing maintained schools. This suggested that the advantages of financial management and governance across a group of schools may have materialised, at least for some. The slight increase this year in respondents governing in MATs reporting that they are able to balance income and expenditure more generally (54% in 2021 compared to 51% in 2020) is further testament to this.

However, there has also been an overall shift in the proportion of academy trusts being in a position where income and expenditure is balanced and a healthy surplus is retained compared to academy trusts being able to balance income and expenditure but not necessarily being able to retain a healthy surplus.

MAT trustees were the most likely of all respondents to say that their organisation would be financially sustainable with current levels of fundings and income. MATs are also most likely to undertake value for money review of goods, services and suppliers and or benchmark with schools/ trusts in similar circumstances to ensure efficient resource management. There was a diversity of methods that boards take to ensure efficient resource management.

Main challenges for a balanced budget

Governors and trustees were asked to choose the main three challenges in achieving a balanced budget. The top answers were a common thread among multi academy trusts and local academy committees:

1. Staff pay costs (52%)
2. Cost of supporting high SEND and high needs (47%)
3. Projected pupil numbers (45%)

Strategic priorities – a snap shot

This year NGA wanted to identify the main strategic priorities for governing boards in response to the context of their organisation. For MATs trustee respondents, this painted a picture that reflects the complicated nature of running multi-site organisations, with ‘managing and improving premises’ taking the top spot. This was closely followed by ‘pupil mental health and wellbeing’, a huge priority for all schools, especially following the effects of the pandemic. In third place was ‘ensuring best use of resources’. Notably larger MATs (21-31 plus schools) have ‘attracting high quality teaching staff’ as one of their top strategic priorities. ‘Attracting high quality school leaders’ is a high scoring priority across all MAT sizes apart from the largest MATs. Among the lowest scoring strategic priorities for MATs was ‘balancing the budget’.

	2-5 schools	6-10 schools	11-20 schools	21-30 schools	31 plus schools	Don't know
The School Teachers Pay and Conditions document.	74%	75%	57%	75%	71%	39%
Benchmarking with other MATs of a similar size.	63%	65%	62%	67%	58%	35%
The ratio between the highest and lowest paid or median in your organisation.	20%	15%	15%	14%	20%	7%
Organisation affordability.	61%	58%	47%	47%	40%	40%
Pension costs and other benefits (eg health care, cars etc).	25%	30%	23%	21%	44%	13%
Performance of the lead executive.	66%	67%	59%	71%	76%	41%
The trust's ethos and vision.	58%	67%	56%	70%	50%	38%

Figure twelve, how respondents from MATs of different sizes determine their SEL pay.



Determining senior executive leader (SEL) pay

Over a quarter of all survey respondents (26%) said they had recruited a new senior executive leader since 2020, while multi academy trust respondents reported a much higher figure of 36%. More generally however, it is the ongoing task of reviewing and setting the framework for CEO pay in an academy trust which has caused high profile complications in the past. Most MATs have set executive pay within reasonable and justifiable parameters, but the outliers paying excessive salaries have been spotlighted by the media, distorting public perception of the sector as a whole.

Basis for SEL pay

There are a number of considerations for MAT trust boards as they look to ensure that the pay and leadership structure is in keeping with the Nolan principles, both affordable and sustainable in the long term, and is appropriate for the level of responsibility undertaken. The most common factors trustee respondents used for determining senior executive leader pay in 2021 were:

- the STPCD document (68%)
- the performance of the lead executive (63%)
- benchmarking with other MATs of a similar size (60%).

While no academy trust is automatically subject to the STPCD (School Teachers' Pay and Conditions Document), as the survey continues to show, many have chosen to use it and it can be a useful starting point for determining the pay for those leading more than one school.

Exploring the trust's pay ratio can help trustees understand the impact of pay decisions on all employees and is a practice more widespread in other sectors including the charity sector. This year's results again show this had one of the lowest uptakes as a consideration at 16%. Another significant factor which does not tend to feature widely is the pension costs and other benefits (eg health care, cars etc.) at 26%, despite the ESFA specifically stating that executive pay consideration process includes benefits.

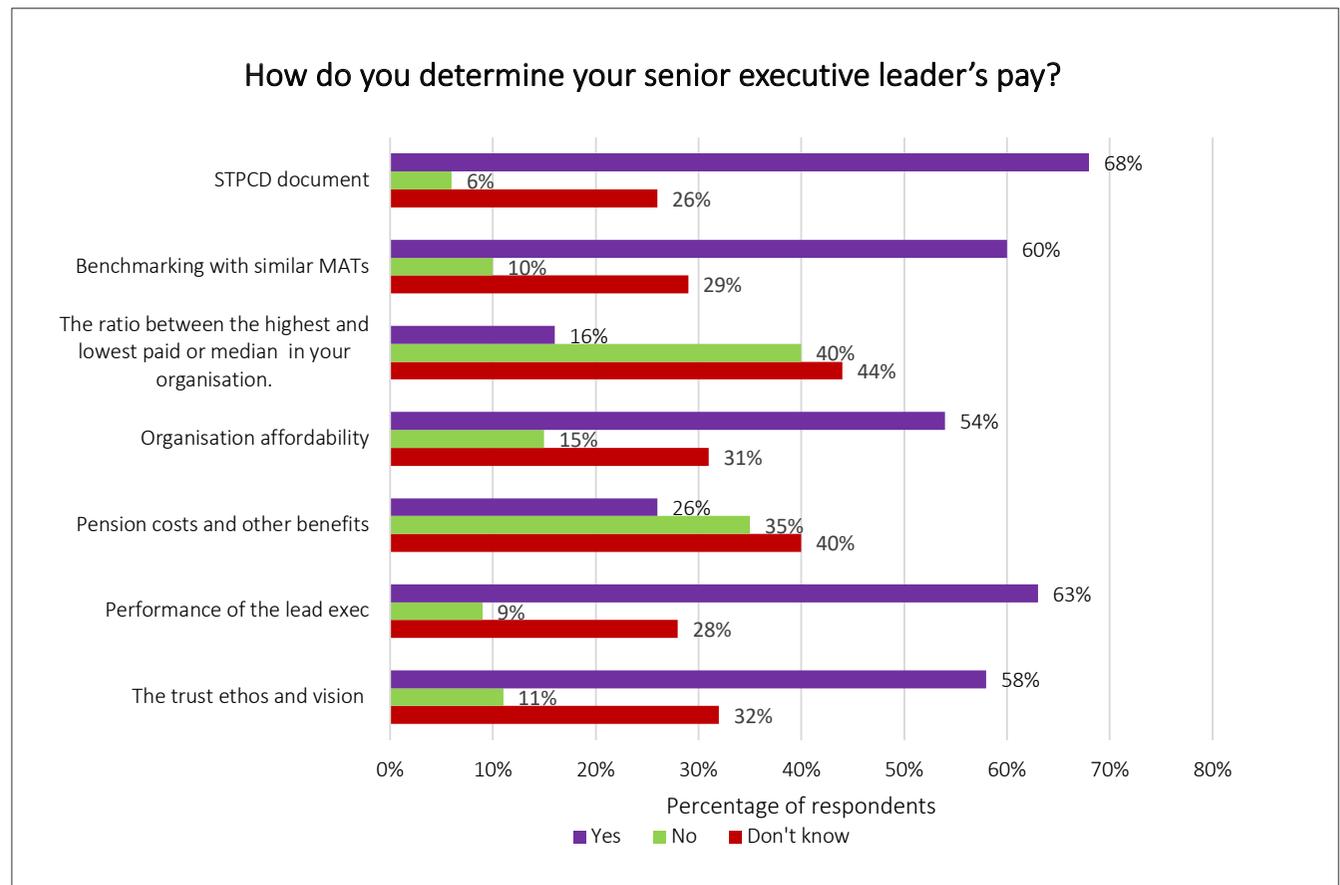


Figure thirteen, how respondents determine SEL pay.

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