

Subject:**LEADERSHIP GROUP PAY STRUCTURE FROM
1 SEPTEMBER 2005****Circular Number: 2006/17****Date of Issue:
12 June 2006****Audience:**

- Principals and Boards of Governors of all grant-aided schools;
- Education and Library Boards;
- Council for Catholic Maintained Schools; and
- Teachers' Unions.

Summary of Contents:

The attached Determination gives effect in law to changes to the Leadership Group Pay Structure from 1 September 2005.

The main changes are described in the accompanying guidance.

Enquiries:

Any enquiries about the contents of this Circular should be addressed to the relevant employing authority.

Governors' Awareness:
Essential**Status of Contents:**
Action by Boards of
Governors and Employing
Authorities.Information for Principals,
Vice-principals and
Teachers.**Related Documents:**
Circular 2004/19**Superseded documents:**
Leadership arrangements
set out in DE Circulars
1997/1, 1999/22, 2003/5**Expiry Date:**
Not applicable**DENI Website:**
<http://www.deni.gov.uk>

GUIDANCE ON THE CHANGES TO THE LEADERSHIP GROUP PAY STRUCTURE FROM 1 SEPTEMBER 2005

The Determination issued with this Circular gives effect in law from 1 September 2005 to revised arrangements to Leadership Pay. This Determination should be read in conjunction with Employing Authority Guidance on Leadership Pay. Below is a summary of the provisions:

Definition

The “relevant body” means the Board of Governors in the case of a school which has a delegated budget, and the employing authority in the case of a school without a delegated budget.

The Pay Scale

1. The Leadership Spine has been extended from 41 to 43 points.
2. Each Group range has been extended by 2 points. This, however, does **not** directly affect existing ISRs and VP Ranges or the salary point of principals or vice-principals.

School Principal Groups

3. Following the employing authorities’ assignment of the School Principal Group for the start of the 2005/06 school year, the relevant body will be responsible for this calculation. However, the employing authorities will assist by carrying out this exercise on behalf of schools and advise of suitable ISRs/VP Ranges every three years.

Individual School Ranges (ISR) and Vice-Principal Ranges (VP Ranges)

4. In accordance with paragraph 5, the relevant body must determine a 7-point ISR, normally within the salary range for the Principal Group assigned to the school. They must also determine a 5-point VP Range between the salary of the highest paid teacher (which is a notional salary defined as UPS1 plus any Management and SEN Allowance payable) and the minimum of the ISR.
5. Relevant bodies may **only** determine an ISR/VP Range in the following circumstances:
 - (i) on appointment of a new principal/vice-principal
 - (ii) each time the school moves into a new Principal Group;
 - (iii) in order to retain a principal/vice-principal (please refer to Employing Authority Guidance); or
 - (iv) in order to comply with the rules on overlapping (see paragraph 7.5 of the attached Determination).

Otherwise the ISR/VP Range remains as previously determined.

6. The maximum point of the ISR/VP Range represents the highest salary point attainable by the principal/vice-principal. Simply reaching the maximum of an existing ISR is not justification for re-setting the ISR, and this must not be done for the sole purpose of enabling further pay progression.
7. New principals taking up post should normally be placed on the minimum of the ISR, but may be placed on any of the bottom four points of the ISR at the Governors' discretion. Similarly, new vice-principals should be placed on the minimum of the VP Range, but may, subject to the Governors' discretion, be placed on any of the bottom three points of the VP Range. When exercising such discretion, Boards of Governors should consider the responsibilities of the post, the background of the pupils at the school and whether the post is difficult to fill. They should also consult with their Employing Authority to ensure that such decisions comply with employment legislation.

Performance Progression on the Leadership Pay Spine

8. The attached Determination requires Boards of Governors to set performance objectives relating to school leadership and management and pupil development, for the principal and vice principal(s). Boards of Governors must then review performance, taking account of the set/agreed objectives. This is an annual cycle of events, with objectives set/agreed at the start of the school year and reviewed at the end of the school year, with any performance points awarded from the start of the following school year.
9. There is no automatic pay progression. Any movement through the ISR/VP Range can only take place after the principal's/ vice-principal's performance has been reviewed and found to have been of a sustained high quality, taking into account relevant evidence which must include the agreed annual Performance Review and Staff Development Scheme (PRSD) review statements. In such circumstances Boards of Governors **may** award one point. In cases where there has been very high quality of performance, one additional point **may** be awarded. No more than two points can be awarded in the course of a single annual review. Boards of Governors should take full account of the clarification of the application of the criteria for leadership group progression set out in paragraph 9. Save to the extent that movement up the pay spine is necessary to ensure that the principal's/vice principal's salary is not less than the minimum of his ISR/VP Range, there shall be no movement up the pay spine other than in the circumstances described in this paragraph. The maximum of the ISR/VP Range cannot be exceeded, nor should it be reset for reasons outside those set out in paragraph 5. Boards of Governors must be able to demonstrate that any increases are affordable (see paragraph 10 below). Any decisions to award performance points in circumstances where the school is in a position of significant overspend may be challenged by the Employing Authority,

Objective agreement/setting and decisions on pay progression **must** be recorded in the minutes of the Board of Governors meetings.

Application of Leadership Group Pay Progression Criteria – Clarification

10. Those on the leadership spine play a critical role in the life of the school. They inspire confidence in those around them and work with others to create a shared strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning.

To achieve progression, the Determination requires individuals on the leadership spine to have demonstrated sustained high quality performance. To be fair and transparent, judgements must be properly rooted in evidence and there must have been a successful review of overall performance in the context of the PRSD arrangements.

To ensure that there has been high quality performance, the performance review will need to assess that the teacher has grown professionally by developing their leadership and (where relevant) teaching expertise.

Affordability

11. The relevant body must plan for the financial consequences of pay progression, and must be able to demonstrate that any proposed increases are affordable and compatible with the school's projected funding for future years. Performance pay awards for all teachers are **discretionary** on the basis of performance and this is the first consideration in any award. Relevant bodies should agree their budgets to ensure that appropriate funding is available for performance pay progression at all levels.

Guidance and Support

12. Governors **must** adhere to the Employing Authority Guidance on Leadership Pay, and should refer to this when making pay decisions, particularly when re-setting ranges for retention reasons. Further advice and guidance on all aspects of Leadership Pay is available from the Employing Authorities.

School Salary Policies

13. All School policies should be updated in the light of these changes and the revised Employing Authority Guidance on Leadership Group Pay.

Superseded Documents

14. The attached determination replaces the Leadership Pay arrangements set out in DE Circulars 1997/1, 1999/22 and 2003/05.

DETERMINATION

- 1.1 In accordance with the provisions of Article 69(1) and (6) of the Education and Libraries (Northern Ireland) Order 1986, the Department of Education has determined that, from 1 September 2005, the salaries paid to teachers in grant-aided schools shall include those set out below.

DEFINITION

- 1.2 In this Determination:

“relevant body” means the Board of Governors in the case of a school which has a delegated budget, and the employing authority in the case of a school without a delegated budget;

“PRSD Review Statement” means the Review Statement from the Performance Review and Staff Development Scheme agreed at the Teachers’ Salaries and Conditions of Service Committee (Schools).

THE PAY ARRANGEMENTS FOR PRINCIPALS AND VICE-PRINCIPALS

- 2.1 A principal shall be paid such salary based upon the leadership group pay spine set out in paragraph 2.3 as the relevant body may determine in accordance with paragraph 8.
- 2.2 A vice-principal shall be paid such salary based upon the leadership group pay spine set out in paragraph 2.3 as the relevant body may determine in accordance with paragraph 9.
- 2.3 The pay spine for members of the leadership group is as set out below:

Spine Point	Annual Salary from 1 September 2005	Spine Point	Annual Salary from 1 September 2005	Spine Point	Annual Salary from 1 September 2005
L1	33,249	L16	48,207	L31	69,504
L2	34,083	L17	49,314	L32	71,232
L3	34,935	L18	50,553	L33	73,002
L4	35,808	L19	51,807	L34	74,808
L5	36,699	L20	53,091	L35	76,668
L6	37,617	L21	54,405	L36	78,564
L7	38,634	L22	55,755	L37	80,520
L8	39,522	L23	57,135	L38	82,512
L9	40,509	L24	58,554	L39	84,522
L10	41,550	L25	60,009	L40	86,634
L11	42,627	L26	61,494	L41	88,797
L12	43,611	L27	63,015	L42	91,020
L13	44,703	L28	64,581	L43	93,297
L14	45,816	L29	66,180		
L15	46,956	L30	67,827		

Determination of the school's Principal Group

- 3.1 The relevant body shall assign a school to a Principal Group for the purposes of paragraph 8 in accordance with paragraphs 3 (ordinary and special schools), 4 (ordinary schools), 5 (special schools) and 6 (particular cases).
- 3.2 A school shall be assigned to a Principal Group whenever the relevant body sees fit.
- 3.3 The Principal Groups, and the corresponding salary ranges shall be as follows:

Principal Group	Spine Points	Salary Range £
1	L6 - 18	37,617 - 50,553
2	L8 - L21	39,522 - 54,405
3	L11 - L24	42,627 - 58,554
4	L14 - L27	45,816 - 63,015
5	L18 - L31	50,553 - 69,504
6	L21 - L 35	54,405 - 76,668
7	L24 - L39	58,554 - 84,522
8	L28 - L43	64,581 - 93,297

Unit Totals and Principal Groups for Ordinary (Nursery, Primary and Secondary) Schools

- 4.1 Subject to paragraph 6, each school shall be assigned to a Principal Group in accordance with table 1, by reference to its total unit score calculated in accordance with table 2:

Table 1

Total Unit Score	Principal Group
Up to 1,000	1
1,001 - 2,200	2
2,201 - 3,500	3
3,501 - 5,000	4
5,001 - 7,500	5
7,501 - 11,000	6
11,001 – 17,000	7
17,001 and over	8

4.2 The total unit score shall be determined in accordance with the number of pupils on the school register, as shown on the most recent annual School Census Statistical Return to the Department, and shall be calculated as follows:

Table 2

Key Stage	Units Per Pupil
For each pupil at key stage one or two, including the period before a pupil becomes of compulsory school age	7 units
For each pupil at key stage three	9 units
For each pupil at key stage four	11 units
For each pupil at key stage five	13 units

4.3 The exceptions are:

- (a) each pupil with a statement of special educational needs counts as three additional units; and
- (b) each pupil who attends for no more than half a day counts as half their normal units.

Unit Totals and Principal Groups for Special Schools

5.1 Subject to paragraph 6, a special school shall be assigned to a Principal Group in accordance with the following table by reference to its modified total unit score calculated in accordance with paragraphs 5.2 to 5.5:

Modified Total Unit Score	Principal Group
Up to 2,200	2
2,201 to 3,500	3
3,501 to 5,000	4
5,001 to 7,500	5
7,501 to 11,000	6
11,001 to 17,000	7
17,001 and over	8

5.2 The employing authority shall calculate the proportion of staff to pupils at the school expressed as a percentage (“the staff:pupil ratio”) in accordance with the following formula:

$$\frac{A}{B} \times 100$$

where A is the number of teachers and non-teaching staff weighted as provided in paragraph 5.2.1, and B is the number of pupils at the school weighted as provided in paragraph 5.2.2.

- 5.2.1 The weighting for a teacher is two units for each full-time equivalent teacher, and the weighting for each non-teaching staff member is one unit for each full-time equivalent individual.
- 5.2.2 The weighting for a full-time pupil is one unit and the weighting for a part-time pupil is half a unit.
- 5.3 The employing authority shall calculate the staff:pupil ratio modifier in accordance with the following table by reference to the staff:pupil ratio determined in accordance with paragraph 5.2:

Staff:pupil ratio	Staff:pupil ratio modifier
1 - 20%	1
21 - 35%	2
36 - 50%	3
51 - 65%	4
66 - 80%	5
81% or more	6

- 5.4 The employing authority shall determine the school's total unit score in accordance with the number of pupils on the school register calculated as follows:

Key Stage	Units per pupil
For each pre-key stage one pupil	10
For each pupil at key stage one or two	10
For each pupil at key stage three	12
For each pupil at key stage four	14
For each pupil at key stage five	16

- 5.5 The employing authority shall determine the school's modified total unit score by multiplying the school's total unit score determined under paragraph 5.4 by the staff:pupil ratio modifier calculated under paragraph 5.3.

- 5.6 In paragraph 5 "non-teaching staff member" means a member of the school staff who is not:

- (i) a teacher;
- (ii) a person employed in connection with the provision of meals;

- (iii) a person employed in connection with the security or maintenance of the school premises; or
- (iv) a person employed in a residential school to supervise and care for pupils out of school hours.

Determination of Unit Totals and Principal Groups in Particular Circumstances

- 6.1 Subject to paragraph 6.2, where in the case of an ordinary school the total unit score and in the case of a special school the modified total unit score is expected by the relevant body to rise or fall after the date of the most recent annual School Census Statistical Return to the Department, it may instead assign the school to the appropriate Principal Group which would result after the expected change in numbers has taken place.
- 6.2 Where the relevant body is the governing body of a school which has a delegated budget, no assignment shall be made until the employing authority has been consulted.
- 6.3 Subject to paragraph 6.4, in the case of a school which is newly opened or not yet open, the relevant body shall assign the school to the Principal Group appropriate, in the case of an ordinary school, to the unit total (or in the case of a special school, to the modified total unit score) expected by the employing authority not less than four years from the date of opening, revising the principal group, as necessary, as expectations change.
- 6.4 Where the relevant body is the governing body of a school which has a delegated budget, no assignment shall be made until the employing authority has been consulted.

Determination of a school's Individual School Range

- 7.1 The relevant body shall determine an Individual School Range (ISR) consisting of seven consecutive spine points.
- 7.2 The minimum of the ISR shall not be less than the minimum of the range specified in paragraph 3.3 in relation to the school's principal group ("the principal group range").
- 7.3 Subject to paragraphs 7.4 to 7.7, the maximum of the ISR shall not exceed the maximum of the Principal Group range.
- 7.4 The relevant body shall secure that the minimum of the ISR:
 - (a) is at least the next point higher on the leadership group scale than the maximum of the pay range of any vice-principal at the school; and
 - (b) shall not be less than the next leadership group pay spine point above the salary of the highest paid classroom teacher (calculated in accordance with paragraph 7.9).

- 7.5 Where the relevant body is required to increase an ISR by virtue of paragraph 7.4, they shall increase such a range by no more than is necessary to secure that the minimum of the individual school range exceeds by one point the maximum of the vice-principal or the salary of the highest paid classroom teacher (as the case may be).
- 7.6 The relevant body may determine the ISR in accordance with paragraph 7.7 where:
- (a) the school is a school causing concern;
 - (b) if the maximum of the individual school range did not exceed the maximum of the Principal Group Range, the relevant body considers the school would have substantial difficulty filling the vacant principal post; or
 - (c) if the maximum of the ISR did not exceed the maximum of the Principal Group Range, the relevant body considers the school would have substantial difficulty retaining the existing principal.
- 7.7 In the circumstances described in paragraph 7.6 the relevant body may determine an ISR which exceeds the Principal Group range, but the maximum of the ISR so determined shall not exceed the maximum of the second Principal Group Range above the appropriate Principal Group range neither shall it exceed the maximum of the pay spine.
- 7.8 For the purpose of determining the ISR or a vice-principal pay range, the relevant body shall calculate the salary of the highest paid classroom teacher in accordance with paragraph 7.9.
- 7.9 The salary of the highest paid classroom teacher is the sum of:
- (a) the value of point 1 on the upper pay scale;
 - (b) the value of any management allowance awarded to the highest paid classroom teacher; and
 - (c) the value of any special educational needs allowance awarded to the highest paid classroom teacher at the school.
- 7.10 In paragraph 7.9, the highest paid classroom teacher at the school is the classroom teacher with the highest allowance total, being the total value of any special educational needs or management allowance awarded to him.
- 7.11 The calculation of the salary of the highest paid classroom teacher in this determination is a notional calculation and shall not affect the salary entitlement of such a teacher.
- 7.12 The relevant body shall determine an ISR:
- (a) when it is proposed to appoint a new principal;

- (b) each time the school moves into a new Principal Group;
- (c) if the vice-principal's pay range overlaps with the ISR;
- (d) if it is considered necessary to retain a principal;

and the ISR shall not be re-determined except as provided in this paragraph.

Annual Determination of a Principal's Salary

- 8.1 Paragraph 8 applies for the purpose of the determination of a principal's salary.
- 8.2 For the purpose of determining the salary of a serving principal:
- (a) the relevant body and the principal shall seek to agree performance objectives relating to school leadership and management; and pupil development. In default of agreement the relevant body shall set such performance objectives; and
 - (b) the relevant body shall review the performance of the principal taking account of the performance objectives agreed or set under paragraph 8.2(a) and the PRSD Review Statement.
- 8.3 The relevant body shall determine the salary of a principal in accordance with the following criteria:
- (a) subject to sub-paragraph (e) a principal's salary shall not be less than the minimum of the individual school range nor shall it exceed the maximum of the individual school range;
 - (b) save to the extent that a movement up the pay spine is necessary to ensure that the salary of the principal equals the minimum of the individual school range, there shall not be any movement up the pay spine unless:
 - (i) there has first been a review of the performance of the principal under paragraph 8.2(b); and
 - (ii) there has been a sustained high quality of performance by the principal taking account of the performance objectives agreed or set under paragraph 8.2(a);
 - (c) save to the extent that a movement up the pay spine is necessary to ensure that the salary of the principal equals the minimum of the individual school range, a principal's salary shall not be increased by more than two points in the course of a year ending 31 August.
 - (d) a newly appointed principal shall not on his appointment be paid at a point exceeding the third point above the minimum of the individual school range;

- (e) (i) except as provided for in (ii) where the relevant body decides to reduce the individual school range, the principal's pay shall not exceed the maximum of the revised individual school range,
- (ii) where paragraph (i) would lead to a reduction in a principal's salary, the principal shall remain on the same point until the individual school range is increased to such an extent that would allow for further progression;
- (f) in the case of a new appointment the relevant body shall have regard to:
 - (i) the responsibilities of the post;
 - (ii) the social, economic and cultural background of the pupils attending the school;
 - (iii) whether the post is difficult to fill.
- (g) where the relevant body sets a higher individual school range, any performance points awarded by the relevant body for the previous year shall be calculated on the basis of the lower individual school range before the principal's pay is assimilated onto the higher range.

Annual Determination of a Vice-Principal's Salary

9.1 Paragraph 9 applies for the purpose of determining a vice-principal's salary.

9.2 For the purpose of determining the salary of a serving vice-principal:

- (a) the relevant body and the vice-principal shall seek to agree performance objectives relating to school leadership and management; and pupil development. In default of agreement the relevant body shall set such performance objectives; and
- (b) the relevant body shall review the performance of the vice-principal taking account of the performance objectives agreed or set under paragraph 9.2 (a) and the PRSD Review Statement.

9.3 The relevant body shall determine the salary of a vice-principal in accordance with the following criteria:

- (a) save to the extent that a movement up the pay spine is necessary to ensure that the salary of the vice-principal equals the minimum of his vice-principal pay range, there shall not be any movement up the pay spine unless:
 - (i) there has first been a review of the performance of the vice-principal under paragraph 9.2 (b), and

- (ii) there has been a sustained high quality of performance by the vice-principal taking account of the performance objectives agreed or set under paragraph 9.2 (a);
 - (b) a vice-principal's salary shall not be less than the minimum of his vice-principal pay range nor shall it exceed the maximum of that range;
 - (c) save to the extent that a movement up the pay spine is necessary to ensure that the salary of the vice- principal equals the minimum of his vice-principal pay range, his salary shall not be increased by more than two points in the course of the year ending 31 August;
 - (d) where the relevant body increases a vice-principal pay range, any performance points awarded by the relevant body for the previous year shall be calculated on the basis of the lower pay range before the vice-principal's pay is assimilated onto the higher range.
- 9.4 A newly appointed vice-principal shall not on his appointment be paid at a point exceeding the second point above the minimum of his vice-principal pay range.
- 9.5 In the case of a new appointment the relevant body shall have regard to:
- (i) the responsibilities of the post;
 - (ii) the social, economic and cultural background of the pupils attending the school; and
 - (iii) whether the post is difficult to fill.

Determination of a Vice-Principal Pay Range

- 10.1 The relevant body shall determine a vice-principal pay range for vice-principals, in accordance with paragraph 10.3 to 10.6, in the following circumstances:
- (a) whenever they propose to appoint a new vice-principal;
 - (b) whenever there is significant change in the responsibilities of the serving vice-principals; and
 - (c) if they consider it to be necessary to retain a vice-principal
- and the vice-principal pay range shall not be re-determined except as provided in this paragraph.
- 10.2 A vice-principal pay range shall consist of 5 consecutive spine points on the leadership group pay spine.
- 10.3 When a vice-principal pay range is determined pursuant to paragraph 10.1, the relevant body shall secure that the minimum of the vice-principal pay range shall

not be less than the next leadership group pay spine point above the salary of the highest paid classroom teacher (calculated in accordance with paragraph 7.9).

- 10.4 When a vice-principal pay range is determined pursuant to paragraph 10.1, the relevant body shall secure that the maximum of the vice-principal pay range shall not equal or exceed the minimum of the individual school range.
- 10.5 Where there is insufficient space on the leadership group pay spine to accommodate a vice-principal pay range of five points between the salary of the highest paid classroom teacher and the minimum of the individual school range, the individual school range shall be increased to the extent necessary to accommodate the vice-principal pay range.
- 10.6 Subject to paragraphs-10.3 and 10.5, the relevant body shall not determine a vice-principal pay range at so high a level that they are required by virtue of any other provision of this Determination to increase the individual school range beyond the maximum of the Principal Group range.