



MONTESSORI ST NICHOLAS CHARITY

POLICY ON SETTING THE PAY OF THE CHIEF EXECUTIVE

Adopted by the Board of Trustees at its AGM on 26 March 2021

Organisational Policy on Pay

The charity operates on the basis of performance related pay whereas, when financially viable, the Charity

- Gives all its staff a cost-of-living rise each year.
- Gives an additional increase based on performance in the year.

The performance related increase is at the discretion of the Chief Executive.

Chief Executive's Pay

It is recognised that the pay of the Chief Executive requires an additional layer of process to ensure transparency externally. How the Chief Executive's pay is decided is reported in the annual accounts and on the charity's website.

Process for Setting the Pay of the Chief Executive

1. The board of Trustees commission an external HR consultant to carry out a salary benchmarking exercise.
 2. The benchmarking report is sent to the Chair alone who then shares it with the Board of Trustees.
 3. The Board of Trustees then reviews the appraisal of the CEO and the benchmarking recommendations to make a decision on the performance related element of any pay increase.
 4. The Chair then writes to the Chief Executive outlining the pay increase.
 5. A copy of the letter and the benchmarking report is put into the HR folder of the Chief Executive for the auditors to review during their annual audit.
- Should the charity be in a financial position that it is unable to offer a pay rise the Chair will write to the Chief Executive to explain this.
 - Should the Trustees decide that the Chief Executive's performance does not merit a performance related element, the Chair will write to the Chief Executive offering a cost-of-living increase and explain that there will be no performance related element. As the Chief Executive's performance will have already been covered in an earlier appraisal, this should not be unexpected or contentious.

Board of Trustees

March 2021