

UK academies pay managers up to £280,000

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The *Guardian* has published analysis from the most up-to-date annual finance reports of five major chains of Academy schools.

Each chain receives tens of millions of pounds from the government each year. The accounts reveal a significant slice of public funds is being used to pay senior staff six-figure salaries.

Academy schools are privately controlled but state funded. They receive a similar amount from the government as state schools. However, because they are free from any local authority control, academies are given extra cash for the services that councils would have otherwise provided. Academies are also not bound by rules and regulations governing the pay and conditions of senior staff.

The paper said, “the reports, which are for the year ending 31 August 2010, show three chains—Ark Schools, Harris Federation and the United Learning Trust—awarded already high-earning staff performance-related bonuses, or increased their pension, salary and bonus packages from the previous year.”

Ark (Absolute Return for Kids) is a registered charity under English law and is based in London. It was co-founded in 2002 by hedge fund financiers Paul Marshall, Ian Wallace and multimillionaire Arpad Busson of EIM Group, who was founding chairman of its board of directors.

Ark Schools runs a network of eight academies, six in London, one in Birmingham and one in Portsmouth.

Ark is trying to establish “free schools” in India, and in southern Africa, it is behind a number of so-called public-private partnerships that are seeking to profit from greater corporate involvement in the education of poor children.

According to the accounts published in the *Guardian*, three members of Ark Schools were paid between £140,000 and £150,000. No staff members were in this pay bracket the year before.

In 2009, Ark had a gross income of £19,363,000.

The United Learning Trust (ULT) is a Christian charity, which has been described as typical of the large number of religious organisations involved in Academy schools. The ULT was established to manage academies by the educational charity United Church Schools Trust, which was originally founded in 1883 to help establish schools based on “Christian principles.”

The ULT was recently criticised for its appointment of Fiona Oomen, a former manager of the department stores chain John Lewis, who has no teaching experience, to a senior position in helping develop “academy leaders.”

The disclosed accounts show that a member of staff at the ULT earned between £150,000 and £160,000, and that no staff were in this pay bracket the year before.

The ULT operates 15 schools nationally. According to the reports highlighted by the *Guardian*, the ULT paid one of its senior staff between £180,000 and £190,000 in gross salary and bonuses. The chain increased the number of academies that it runs from 14 to 17 between August 2009 and last year.

A director of the Harris Federation received £243,027, an increase of £26,411 on the year before. Four employees at the Federation earned between £130,000 and £140,000, compared with just one the year before.

Between August 2009 and last year, the Harris Federation chain expanded the number of its academies from 7 to 9, as well as now running 13 in south London. It is currently a chain of 14 primary and secondary academies across south London and Essex.

The sponsor of the Harris Federation academies is Phil Harris (Lord Harris of Peckham), the chairman and chief executive of the London Stock Exchange-listed firm Carpetright plc, one of the largest retailers of floor coverings in the UK. In 2008, Cascade Investments LLC, owned by Microsoft chairman Bill Gates,

acquired a 3 percent stake in the company.

The Harris Federation says it aims to expand to 25 or more Primary and Secondary academies in the next few years.

The *Guardian* also revealed that one member of staff at the Academies Enterprise Trust earned between £200,000 and £209,999. The chain grew to six academies last year.

Another member of staff at the ULT earned between £150,000 and £160,000, while three at Ark Schools were paid between £140,000 and £150,000. Four employees of Harris Federation earned between £130,000 and £140,000, compared with just one the year before.

At the top of the heap, the director general of the Edutrust Academies Charitable Trust (E-Act) chain, (Sir) Bruce Liddington, pocketed £280,017 in salary, pension contributions and bonuses. Liddington was appointed in March 2009 and was paid £154,583 for his first six months in the post.

E-Act increased the number of academies under its control to 11 last year. The organisation now runs 14 schools, including a free school. The chains would not, with the exception of Liddington, reveal which senior staff had received the most generous packages.

Liddington is a former schools commissioner in the last Labour government, where he was charged with expanding the entire Academy programme. Earlier this year, he made a speech in which he set out his vision for a “world-class education system,” that included a justification for profit-making to be the long-term outcome for running academies. Liddington unveiled E-Act’s five-year business plan; to have 40 academies, 21 free schools and 65 “converter” academies by 2015. Elsewhere, he has speculated that the E-Act chain could eventually run more than 250 schools.

Last April, the staff at E-Act’s Crest boys’ academy in Neasden, northwest London, took industrial action in protest at seven redundancies at the school. The sackings came amid revelations that Liddington had made expenses claims of £1,436 for two nights in luxury hotel suites.

E-Act had argued that the compulsory redundancies were an effort by the school to plug a £1.2 million funding gap resulting from a drop in pupil numbers. One of the reasons for the falling rolls at Crest boys’ academy was the recent opening of the rival Ark

academy in nearby Wembley.

E-Act was then receiving around £50 million from the government to “sponsor” eight academies.

In January of last year, the *Sunday Times* reported that two Academy head teachers were being paid £200,000 per year, and a further 11 were on £150,000 salaries. This meant that at least two Academy heads had overtaken the salary of the headmaster of Eton College.

The maximum annual salary of a head teacher at a state school under local authority control is between £79,835 and £112,181. Only a head in a large inner London secondary school would be eligible for the higher amount.

As of September 2011, the starting salary for a newly qualified teacher is £21,588, rising to £27,000 for those working in inner London.

Many Academy heads receive generous bonuses and add-on payments for running spin-off businesses based on school premises, while some charge consultancy fees for “advising” other schools.

This enrichment of a tiny layer in control of former state schools is taking place within the context of the largest cuts in the UK education system in over half a century.

The market has come to predominate across the entire UK education system. The runaway pay packets of the Academy heads replicate the same social polarisation within these institutions that they help create in the impoverished areas—by distorting local education budgets, excluding a higher number of pupils and exacerbating pressure on neighbouring schools struggling with staffing problems and increasing class sizes.

This month, data revealed under the Freedom of Information Act shows the coalition government’s flagship Free Schools—modelled on the US-style charter schools—are taking only half the proportion of deprived pupils compared with other state schools in England.

The government expects 87 free schools to open from next year onwards.



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