

Helpdesk Report: Chief Financial Officer

by

Incomes Data Research

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This report has been produced by Incomes Data Research Limited as part of the ECC Labour Market and Pay Data Service.

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1. Introduction

This report has been prepared by Incomes Data Research (IDR) and, as requested, it provides market salary data for the following role(s):

- Chief Financial Officer

2. Market salary data

This section presents the market salary data. We aim to provide a minimum of three sources of information for each job to enable ‘triangulation’ of the results, and thereby provide the widest possible assessment of the market for this role.

2.1. Market data

The tables in the following sections provide the aggregate market salary for a full-time Chief Financial Officer.

2.1.1. NHS data

In this section we provide information on the salary range for the pay band likely to cover comparator jobs in the NHS. The NHS, with 1.2m staff is the largest employer in the UK and as such plays a key role in influencing the market for many non-medical roles, particularly in education, given the links between parts of higher education and the NHS.

Chief Finance Officers in NHS trusts are paid according to the Very Senior Managers (VSM) pay arrangements which sets out that trusts and foundation trusts are free to determine their own rates of pay. In other larger NHS bodies, such as NHS England, Chief Finance Officers are covered by the Executive and Senior Manager (ESM) pay framework as detailed in the table below. This framework remained unchanged since 2016 but the recommended pay rise of 3% for ESMs was agreed by the Government.

NHS Executive Senior Manager pay framework*

Role/grade	Minimum salary £	Operational maximum £	Exception zone £
1	90,990	113,625	131,300
2	131,301	146,450	161,600
3	161,601	176,750	191,900
4	191,901	207,050	222,200

*Excludes an across-the-board increase of 3.0 per cent for all VSMs and ESMs from 1 April 2022.

2.1.2. Civil Service data

Chief Financial Officers at a similar level in the civil service are typically paid in line with the Senior Civil Service (SCS) pay band 2. The current salary range is between £95,000 and £162,500 a year.

2.1.3. IDR data

The following tables contain data from IDR Pay Benchmarker, our online database of salary information. This data has been collected by IDR directly from employers through surveys and bespoke data collection for the IDR Pay Benchmarker service.¹

Finance Director, public sector, job level 10

Job level	Company count	Lower quartile	Median	Upper quartile	Average
Level 10	10	£105,738	£115,218	£122,253	£116,577

Source: IDR Pay Benchmarker.

¹ Refers to the IDR Job Level. These typically cover the following types of roles: 1 and 2, admin, support and manual roles; 3 and 4, secretarial and craft roles; 5 and 6, vocational and supervisory; 7 and 8, professional and managerial; 9, senior management; 10a and 10b, directors; 11, senior directors/chief executives.

2.1.4. Recruitment data

The data in this section is based on analysis of recruitment salaries for a similar role(s). It is a guide to starting pay for these roles, and in some cases also provides a guide to the maximum that might be achieved.

Senior Leadership Team, Further Education, North of England

Job role	Range £pa	Standard rate £pa
CEO/COO	£150,000 - £250,000	£200,000
Principal	£70,000 - £140,000	£105,000
Executive Director HR/Finance/Estates/Quality	£65,000 - £90,000	£82,000

Source: Reed Salary Guide 2022.

2.1.5. Other data sources

Chief Financial Officer, Rank 0

Selection criteria	Lower quartile	Median	Upper quartile
National Range	£107,160	£137,385	£177,226
Public Administration	£110,375	£141,506	£182,543
West Yorkshire	£95,372	£122,272	£157,731

Source: Commercial survey.