



## Pay Benchmarking of Executive Head/Strategic Director roles

1. The departure of the Deputy Chief Executive and the previous changes to Tier 3 within New Forest District Council (NFDC) have caused some revision of roles and responsibilities at Tier 2 level, resulting in key corporate services being distributed across different roles (and without a clear lead). In addition, the pay levels of these roles have not been reviewed for some time – so NFDC asked Reward Connected to conduct a pay benchmarking exercise.
2. NFDC provided us with job descriptions for the Tier 2 roles and our light-touch evaluation of these roles confirmed that they were all broadly equivalent to each other e.g. each was responsible for one or more service areas, each managed staff numbers between 40 and 500, each had a corporate strategic role, each reported to the Chief Executive, etc. NFDC's Annual Financial accounts confirm that the organisation is classified as a large organisation, based in the public sector, and the current pay structure for Tier 2 roles shows that their pay range is from **£79,491** (SCP 70) to £89,216 (SCP 74) including the 2 Performance Points.
3. Comparing these roles (and their pay levels) to others in the wider public sector (Charities, Civil Service, Government, Health, Third Sector, etc.) using only large organisations that are based in the South-West of the country gave us a pay database that produced an average level of base pay for NFDC's roles. Using this as the current market median, we cast down by 6% (being half of the current pay range width in NFDC) and up by 6% to identify the lower and upper limits of a pay range that reflects the current market amongst NFDC's comparators. This placed the market median rate at **£94,500** with the lower limit being £88,830 and the upper limit being £100,171.
4. Translating this to NFDC's spinal column points system, our market research shows that the appropriate pay range for Tier 2 roles is from SCP 74 (being £89,216) to SCP 76 (being £94,584) with the two performance points being SCP 77 (£97,437) and SCP 78 (£100,358).
5. As a sense-check, we then compared our researched market median for these roles to the middle SCP of the role immediately above Tier 2 i.e. the Chief Executive. This comparison showed that £94,500 was £24,997 below SCP CX2 of £119,497 and this translates to a step difference of 26%. As we typically expect this difference to be between 25% and 35% in the public sector, we were reassured that the market median of £94,500 was appropriate.