

**Peak District National Park Authority Extraordinary Meeting – 8 September 2014**

**Item 4 Supplementary Report Appendix 1**



**Report to Peak District National Park Authority  
On the Remuneration  
Of the Park's Chief Executive**

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August 2014**

## **1. Introduction**

- 1.1 We have been asked to undertake a review of the Park Authority's current remuneration for its Chief Executive and make recommendations.
- 1.2 We have been asked to review separately the remuneration of the other Chief Officers and these reviews will follow the same methodology
- 1.3 The level of salary is important. However, it is only one aspect of the ability of an organisation to be able to attract and retain the right calibre of Chief Executive, careful consideration needs to be given to non-financial rewards, the challenges, attractions and opportunities to attract a suitable pool of suitable candidates.

## **2. Methodology**

- 2.1 As part of the review we have taken the opportunity to evaluate the role of Chief Executive in terms of job size using our Senior Managers' Job Evaluation Scheme. This has been done using the information supplied by the Park Authority. This provides a guide to the size of roles when looking at meaningful comparisons for the purposes of remuneration and will be used further with the other senior managers' review exercise.
- 2.2 The LGA Senior Managers' Job Evaluation Scheme has been developed for senior managers in local government and other public bodies. This allows us to utilise our knowledge and experience to make judgements on job size which is then used to consider job design and remuneration.
- 2.3 The outcome of this allows us to make meaningful comparisons with jobs in the public sector. Our assessment in terms of job size with other National Parks suggests there is little difference between Chief Executive Roles.

2.4 For this particular role we have undertaken a benchmark survey of all National Park Chief Executive roles and their remuneration in National Parks in England, Wales and Scotland.

### **3 Salary Review**

3.1 We have been asked to recommend a salary level for the Chief Executive role. It is important to take into consideration a number of factors. These include the current economic climate; which continues to result in the Sector facing significant austerity measures and a clear expectation of more or the same level and quantity of work for lesser remuneration. Further key considerations for Members will be the maintenance of the Authority's reputation whilst exercising the ability to recruit a Chief Executive with the necessary managerial, leadership, and knowledge skills and expertise to ensure the delivery of the Park Authority's vision and values now and in the future.

3.2 Our recommendations have been weighted on the benchmarking undertaken in respect of the Chief Executives of other National Parks. The data was acquired from published data on authority web sites under the current legislative requirements. This data enabled us to make direct comparison on job titles but not against organisational structures. Consideration also needs to be given to job size in terms of the organisational environment and the challenges identified both from a corporate and individual perspective and need.

3.3 We note that the Park Authority do not have an overarching pay strategy. If such a strategy were in place it would have influenced the recommendations of this report.

3.4 The following data shows the current salary bands in Park Authority's' pay bands:

<i>Chief Executives National Parks (15 ) pay bands</i>	<i>Average Minimum Salary Band</i>	<i>Average Median Salary Band</i>	<i>Average Maximum Salary Band</i>
<b>Chief Executive</b>	<b>£79,485</b>	<b>£80,992</b>	<b>£82,499</b>

3.5 Evaluating this information, we also identified where possible the pay design for each Authority. We found:

- Six authorities with spot salaries;
- A salary range for the remainder with a form of incremental progression ranging from £5,000 to £10,000 from the minimum to the maximum of the salary;
- Three authorities pay over £90,000;
- Two Authorities have a maximum salary of between £85,000 and £89,000;
- Five Authorities have a maximum salary of between £79,000 to £84,000;
- Five Authorities have a maximum salary of between £75,000 to £78,000;
- Only two Authorities have a starting salary below £75,000(both of whom have a starting salary of £70,000).

3.6 The following provides data on actual salaries of Park Authority Chief Executives as at March 2014 from published data:

<i>Chief Executives National Parks (13 ) pay as at March 2014</i>	<i>Average Lower Salary</i>	<i>Average Median Salary</i>	<i>Average Upper Salary</i>	<i>(Top salary)</i>
<b>Chief Executive</b>	<b>£78,292</b>	<b>£81,584</b>	<b>£88,488</b>	<b>£95,393</b>

- Two authorities not able to access data

3.7 For this role in terms of job size the role is similar to the equivalent role in each Park Authority. Each authority determines its pay according to its own requirements and circumstances at the time. Currently, the Peak Authority Chief Executive is on a salary range of **£70,170 to £75,435** which places the post below the average minimum for Park Authority Chief Executives.

3.8 The Authority will be reliant on a new Chief Executive to take up the challenge to deliver Members' ambitions with an emphasis on diversifying funding resources and being more commercially focussed. This can be achieved by building a cohesive and effective management team, leading on strategy and taking lead responsibility for maintaining and developing external partnership relationships.

3.9 When comparing salaries we needed to consider a number of additional factors including current pay, affordability, recruitment and retention and the level at which the Park Authority wishes to operate in the market place. A further consideration of geographic and economic factors needed to be taken into consideration. From our surveys evidence shows that pay overall in the region is lower than many other regions.

#### **4 Pay & Grading Recommendation**

- 4.1 Taking into consideration the data and information we have collated we would recommend a salary range of **£80,000 to £85,000** (with incremental progression point of £82,500). This places the Park Authority slightly below the median and upper quartiles in terms of the pay band proposed. We believe this will attract a range of quality applicants for the post.
- 4.2 In reaching this salary recommendation consideration has been given to the ongoing economic climate, the need for the Authority to be able to justify any increase and the need for the Authority to be able to recruit and retain a quality appointee to its most senior post. In reaching our recommendation we have also taken cognisance of the location and pay of other similar public sector jobs in the same or similar geographic location.

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