

Starting Salaries Guidance

Owned and maintained by:	Human Resources
Date reviewed/created:	June 2015
Next review date:	June 2017

1. Introduction

Audit Scotland recognises that there are advantages in having some flexibility regarding the setting of starting salaries for new appointments. Some degree of flexibility enables managers to offer a salary appropriate to the new employee's relevant skills and experience. However, it is important that managers recognise the risks associated with applying different starting salaries for jobs of a similar size, as determined by job evaluation, particularly in terms of equal pay. This guidance is therefore designed to help managers make sound appointment decisions which are robust, evidence-based and fair to both the new employee and existing staff.

This guidance should be read in conjunction with other policies, namely:

- Recruitment and Selection Policy.
- Job Evaluation Policy.
- Equal Pay Policy Statement.

Managers should be familiar with these policies and how they affect starting salaries.

2. Salary Ranges by grade

Audit Scotland operates a Contribution Based Pay system (CBP) where pay awards are partly based on personal performance. Current pay ranges for each grade are published in the Staff Handbook within ishare.

3. Recruitment Advertising

Audit Scotland's practice is to advertise the full salary range for a given grade (entry zone to the target rate for the job).

4. Discussing Salary at Interview

During the interview it is important to make candidates aware of the salary range and minimum salary for the post applied for. The reason for this is to ensure the candidates salary expectations are managed appropriately. Candidates need to be able to decide whether they wish to continue with their application based on the level of salary that will be offered.

Care should be taken when discussing salary at interview as anything offered may be contractually binding and difficult to withdraw from at a later date.

5. Deciding on a starting salary

Once the successful candidate has been selected, the recruiting manager together with Human Resources should discuss and agree the offer of employment for the successful candidate regarding salary and other key terms & conditions of employment.

The salary offer should be discussed and agreed in advance with Human Resources prior to the recruiting manager making a verbal conditional offer to the successful candidate. The reason for this is to ensure consistency with Audit Scotland's equal pay policy.

When deciding what salary to offer a new start, the decision will take into account the following:

- The knowledge and skills of the individual
- The experience of the individual.
- The current salary of the individual (relative indicator only)
- The salaries of current team members who may hold the same or a similar job.

5.1 Internal Appointments

Promotion

A promotion is where an individual is transferred from a lower graded post to a higher graded post on a permanent basis. If an individual is promoted within the organisation to a higher graded post, they will be placed on the grade minimum or receive a 5% increase to their substantive salary, whichever is better. The total value of the new package will broadly be equivalent to the old total package plus a promotion award of at least 5%.

Temporary Acting-Up and Additional Responsibility Allowances

For individuals who are acting up into a higher graded post, the value of the acting-up allowance will be based upon the difference between the employee's substantive salary (base salary and any legacy allowances) and the minimum of the grade for the senior role. The value is subject to a minimum value of 5% of the employee's substantive salary.

If an individual has been acting up to a post and they subsequently secure this post as a permanent promotion, their salary will be matched (i.e. substantive salary and acting up allowance will be consolidated).

For individuals with additional responsibilities and also in receipt of an allowance, the additional responsibility allowance will be calculated in the same manner as an acting up allowance but a percentage will be applied that represents the approximate percentage of additional responsibility that the employee will be asked to assume. The 5% minimum value does not apply to additional responsibility allowances.

Permanent Contract

If an individual has previously been working on a fixed term contract (temporary basis) and subsequently secures this post as a permanent appointment, their salary will be matched and remain unchanged.

5.2 External Appointments

New appointments will normally be made at the grade minimum.

Individuals will usually start at this position in the range because of the learning curve of the job – the individual may have the basic qualifications for the job and some relevant experience but will lack the full experience to perform the job at a fully competent level.

5.3 Appointments made above the minimum

Recruiting managers can exercise discretion and offer a higher starting salary in exceptional circumstances. This should only be done in consultation with Human Resources.

Examples of justifying appointments made above the minimum include (but not limited to):

- To secure an individual's unique skills and experience where normally this has proven difficult to secure in the past
- Where external market dictates a higher salary

Offering salaries above the minimum for the grade should not be solely based on, for example:

- candidate achieved demonstrably high levels of performance at the assessment centre and/or interview
- deemed necessary to secure candidate because of their current salary level (Managers should note that the desire to match an individual's current salary should not be the only factor taken into account, particularly as this is likely to perpetuate any pay differentials which may have no objective basis).

The recruiting manager must provide evidence to Human Resources as justification for appointing above the minimum. Managers must outline their justification and reasons on the Job Offer form and signed off by a Director. In certain circumstances Human Resources may seek further information or justification for a starting salary above the minimum for the grade.