

Starting Salaries Guidance

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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.

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). Salary should only be discussed at offer stage.

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.

Deciding on a starting salary

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

External appointments made above the minimum

Recruiting managers can exercise discretion and offer a higher starting salary in certain circumstances. A salary offer should be discussed and agreed in consultation with HR prior to the recruiting manager making a verbal conditional offer to a successful candidate.

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 the external market dictates a higher salary.

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

- The candidate achieved demonstrably high levels of performance at the assessment centre and/or interview.
- It is 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 HR as justification for appointing above the minimum. Managers must outline their justification and reasons on the Job Offer form and have this signed off by an Executive Director. In certain circumstances HR may seek further information or justification for a starting salary above the minimum for the grade.

Internal appointments

Promotion between pay bands

Where an individual is transferred from a lower pay band to a higher pay band (current pay bands are MA, 1, 2, 3, 4 or Executive Directors) on a permanent basis.

If an individual is promoted within the organisation to a higher pay band, they will be placed on the pay band minimum or receive a five per cent increase to their substantive salary, whichever is better.

The total value of the new package will broadly be equivalent to the old pensionable total package plus a promotion award of at least five per cent.

If an individual is promoted to a new pay band, they will lose any cash for car allowance, lease car or legacy allowance in place.

Promotion between pay zones

If an individual moves between the pay zones¹ that fall within a pay band following a successful recruitment process or career development gateway, they retain any lease car, cash for car or legacy allowance.

¹ Further details of the pay bands and zones can be found in the Salary band document available in the staff handbook.

Therefore, the five per cent minimum increase does not apply when moving between pay zones.

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 pensionable legacy allowances) and the minimum of the grade for the senior role. The value is subject to a minimum value of five per cent 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 (ie 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 five per cent minimum value does not apply to additional responsibility allowances.

If an individual has been in receipt of an Additional Responsibility Allowance and subsequently secures a permanent move or promotion to a new pay band, they will not start on a salary lower than their combined substantive salary (base salary and any legacy allowances) plus their Additional Responsibility Allowance.

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.