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TO: **MARK BAILEY**

FROM: **CRIS FARMER**

DATE: **26 March 2012**

COMPREHENSIVE PAY AND GRADING REVIEW - PAY LEADS

1. Further to our meeting of 8 March 2012 I agreed to provide an update of the information previously provided.

2. There are currently two grades which should now be removed, EO2 Accountant and EO1 Accountant, there are currently no staff at this grade and to avoid any future confusion, that Accountancy grades are available at grades below the SO level, these grades should be removed. I note there is also a grade called 'Senior Audit Assistant (Accounting)'. I'm unaware if this grade is required as my branch have not been involved in the recruitment of this particular grade, however unless there is a specific argument for its retention made by Internal Audit I would argue that it should also be withdrawn.

3. In regards to the pay lead for the SO Accountant grade, I would refer you to the HR Handbook chapter 8.14 'Remuneration of Audit and Accountancy Staff'. Accountancy Allowances are currently paid to EO2s, EO1s and Staff Officers who are currently in pursuit of

Accountancy qualifications where they have successfully completed some or all of the various stages of their professional qualification.

4. The allowances start at £616 per stage completed and on completion of the final stage, the staff concerned could be in receipt of an additional £1232 on top of their basic salary.

5. The policy recognises that trainee Accountants who have passed/completed certain stages of their Accountancy qualification are regarded as part qualified Accountants in the labour market. The current market rate for part qualified Accountants sits at £20 - £30k. Our trainee Accountants were on the bottom of the E01 scale when they started on the training scheme (in 2006 for Scheme 1 and 2009 for Scheme 2). The payment of allowances brings these trainees closer to the market rates and also recognises their achievements of completing exams at the various stages of qualifications as set by the professional Accountancy body they train with.

6. As for the SO Accountant grade, if there was no pay lead at this grade, it would impact on two areas.

- there would be no incentive for a member of staff at the general grade to pursue professional Accountancy qualifications. At a time when the NICS were faced with difficulties of employing Accountants from the external market, it was important that the internal sources and expertise were utilised where possible. Furthermore, taking into account allowances are paid to recognise success at various stages of the professional qualification, there also needs to be recognition of success at completing the qualification and being made a member of the Accountancy body that the member of staff has been studying with. This is done by moving the staff to the SO Accountant scale with a higher pay when they are promoted to a SO Accountant vacancy.

- Mismatch between what Accountants are being paid in the external market compared to the NICS pay policy for Accountants.

7. My branch was involved in a Salary review for Accountants a few years ago and the outcome of the review concluded that in order to attract applicants for Accountancy related posts within the NICS, the salary scale needed to be competitive and the current salary scale (including the pay leads) was appropriate for this purpose.

8. For more current market rate information I would suggest looking at the attached reports for CIMA part qualified in UK and Ireland.

Cris Farmer

CRIS FARMER

cc: **FIONA HAMILL**
Section 40 (2)