

8.14 Remuneration of Audit and Accountancy Staff

This policy provides guidance on the remuneration of staff in Internal Audit and Accountancy grades, including criteria for payment of salary and allowances.

- Information about pay for internal audit staff can be found in Section 2 Remuneration for Internal Audit Staff
- Section 4 Pay on Transfer into and out of the Internal Audit Discipline provides information about pay aspects for example when studying
- Section 5 Pay on Promotion outlines how pay is calculated when you are promoted from a General Service post into a qualifying audit post
- Information on the pay for Accountants and eligibility for allowances is found in Section 6 Remuneration of Accountants
- Section 7 Pay on Transfer into and out of Accountancy posts sets out how pay is treated on transfer in various situations
- Section 8 Pay on Promotion explains how pay is treated if you are promoted into, within or out of the Accountancy discipline

The following terms within this policy are defined in the glossary:

There are currently no terms within this policy defined in the glossary.

You may also be interested in the following policies:

HMT Internal Audit Training and Development Handbook to be found at http://www.hm-treasury.gov.uk/documents/public_spending_reporting/governance_risk/psr_audit_training_handbook.cfm, 8.30 Starting Pay on Transfer to a New Grade

This policy is version 2.0

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This homepage is only a guide to the policy, not the policy itself. In the event of any discrepancy between the content of this homepage and the associated policy, the wording of the policy shall apply.

8.14 REMUNERATION OF AUDIT AND ACCOUNTANCY STAFF

CONTENTS

- 1 Introduction3
- 2 Remuneration of Internal Audit Staff.....3
- 3 Measurement Criteria for Internal Audit Pay4
- 4 Pay on Transfer into and out of the Internal Audit Discipline4
- 5 Pay on Promotion – Internal Audit Posts6
- 6 Remuneration of Accountants– Conditions of Payment of Allowances7
- 7 Pay on Transfer into and out of Accountancy Posts.....8
- 8 Pay on Promotion – Accountancy Posts.....9
- 9 Status of Accountancy Allowances10
- ANNEX 111
- Accountancy Allowances for EOII, EOI and Staff Officer.....11
- ANNEX 212
- Accountancy Input Areas12

8.14 REMUNERATION OF AUDIT AND ACCOUNTANCY STAFF

1 Introduction

1.1 This policy of the HR Handbook provides guidance on the remuneration of staff in Internal Audit and Accountancy grades, including criteria for payment of salary and allowances.

1.2 The Northern Ireland Office (NIO) has delegation for pay and allowances. Payscale for audit and accountancy grades in NIO have been amalgamated into the pay scales for their General Service counterparts. There are therefore no audit or accountancy pay leads in NIO.

2 Remuneration of Internal Audit Staff

2.1 Special rates of pay apply to certain groups of qualified Internal Auditors at Staff Officer (SO) level. These groups are:

- Staff Officer Internal Auditors who have achieved the measurement criteria of the NICS Basic Audit Training Standard (BATS);
- Staff Officer Internal Auditors who have achieved the NICS Government Internal Audit Standard (GIAS) – applicable to all officers who commenced professional training since 1995;
- Staff Officer Internal Auditors who have achieved the Government Internal Audit Certificate (GIAC) (previously known as GIAS and before that BATS);
- Staff Officer Internal Auditors who have obtained the professional qualification of the Institute of Internal Auditors (MIIA).

2.2 The Staff Officer Internal Audit pay scales have a pay lead incorporated at each of their pay points. Movement between the General Service and audit pay scales should be on a pay point to pay point basis (for example pay point 4 on Generalist scale to pay point 4 on the appropriate Staff Officer Internal Audit scale).

2.3 With effect from 1 August 2006 the remains of the Deputy Principal Internal Audit pay leads were removed and were replaced with an arrangement that allows the Staff Officer Internal Audit pay lead to be taken into account in the calculation of starting pay on promotion from Staff Officer Internal Audit. See section 5 below.

2.4 The Staff Officer Internal Audit rate of pay will be payable from the date the criteria for payment is certified and satisfied, in other words from the date the qualification is achieved.

3 Measurement Criteria for Internal Audit Pay

3.1 In 1995 the new “Government Internal Audit Standard” (GIAS) replaced the “Basic Audit Training Standard” as the minimum training measure which all career Internal Auditors are expected to attain.

3.2 In March 2002 the GIAS was itself replaced as the training measure by the Government Internal Audit Certificate. Further information on the achievement of the measurement criteria of the Government Internal Audit Certificate can be found in the HMT Internal Audit Training and Development Handbook to be found at http://www.hm-treasury.gov.uk/documents/public_spending_reporting/governance_risk/psr_audit_training_handbook.cfm.

3.3 Staff Officer Internal Auditors (IT Specialists) will continue to be regarded as a separate group for pay purposes and they will continue to have their own pay scales which mark them out as different from either the Internal Audit or ICT groupings. Internal Audit (IT) specialists who are remunerated on Internal Audit (IT) payscale are not entitled to ADP allowance.

3.4 Fraud and Internal Audit Policy Branch (DFP) is responsible for providing guidance on the professional standards applying to audit grades in the Northern Ireland Civil Service. Any queries in respect of professional qualifications, the determination of qualifying posts and so on, should be directed to FIAP Branch.

4 Pay on Transfer into and out of the Internal Audit Discipline

Pay on Transfer into the Internal Audit Discipline

4.1 If you transfer from the Generalist Staff Officer grade into the Internal Audit discipline on a lateral basis in other words, movement is at the same grade level, you should move from the General Service payscale to the Staff Officer Internal Audit pay scale on a pay point to pay point basis. If you transfer from the Generalist discipline to the Internal Audit discipline at any other level for example Deputy Principal, you will retain your existing rate of pay.

Pay on Transfer out of the Internal Audit Discipline for Staff who Commenced Study Before 1995

4.2 Arrangements for pay on transfer out of the Internal Audit Discipline for you if you commenced a course of professional study before 1995 for the Basic Audit Training Standard and/or the professional qualification of the Institute of Internal Auditors or the Certificate and Diploma in Public Sector Internal Audit and Accounting of the Chartered Institute of Public Finance and Accountancy are as follows:

4.3 Where you are a qualified Staff Officer Internal Auditor (including IT specialist) who commenced a course of study prior to 1995, and you transfer in the interests of your Department and as part of a career development plan from a qualifying audit post to a non-qualifying (non-audit) post, you may continue to be paid on the Staff Officer Internal Audit pay scale for up to three years.

4.4 If at the end of three years you do not transfer back to a qualifying audit post, you should be moved from the Internal Audit pay scale to the equivalent point on the General Service pay scale. However existing pay may be retained on a mark-time basis until such time as substantive pay becomes more favourable.

4.5 If as a Staff Officer Internal Audit you transfer to a non-audit post for any other reason than outlined at 4.3 above, then you should be moved from the Internal Audit pay scale to the equivalent point on the General Service pay scale. Existing pay may be retained on a mark-time basis until such time as substantive pay becomes more favourable.

4.6 Where at any other grade in the Internal Audit discipline you transfer at the same level to a non-audit post, re-grading arrangements should apply (see policy 8.30 Starting Pay on Transfer to a New Grade).

Pay on Transfer out of the Internal Audit Discipline for Staff who Commenced Study From 1995 Onwards

4.7 Arrangements for pay on transfer out of the Internal Audit discipline for you if you commenced a course of professional study from 1995 onwards for the Government Internal Audit Standard and/or the professional level qualification of the Institute of Internal Auditors (MIIA) or for the Government Internal Audit Certificate are as follows:

4.8 Portability arrangements allow you, as a Staff Officer Internal Audit who temporarily transfers out of your specialism in the interests of the Department, and as part of a career development plan, to be paid on the audit pay scale in full for up to three years, followed by mark-time arrangements. In these cases the expectation is that you will return to internal audit work within three years.

4.9 If you are a Staff Officer Internal Audit who transfers at management's request to a post in which Internal Audit rates are not applicable you may retain any Internal Audit pay lead held on a mark-time basis.

4.10 If you are a Staff Officer Internal Audit who voluntarily opts out of the specialism because you no longer wish to pursue a career in your special area of work or who are moved because of less than satisfactory performance (including those covered by the portability arrangements) you lose any Internal Audit pay lead immediately with no mark-time arrangement.

4.11 Where at any other grade in the Internal Audit discipline you transfer at the same level to a non-audit post, re-grading arrangements should apply (see policy 8.30 Starting Pay on Transfer to a New Grade).

5 Pay on Promotion – Internal Audit Posts

Promotion from a Non-Audit Post to an Audit Post

5.1 Where you move on promotion from a General Service post into a qualifying audit post, pay on promotion is calculated as follows:

- pay on promotion terms are applied to existing (General Service) substantive pay (see policy 8.30 Starting Pay on Transfer to a New Grade);
- you are moved to the equivalent or next highest pay point on the higher grade General Service pay scale;
- you are moved across to the Internal Audit pay scale on a pay point to pay point basis.

Promotion within the Audit Discipline

5.2 From 1 August 2006, where as a Staff Officer Internal Audit you are promoted within the audit discipline (for example to Deputy Principal Internal Audit) starting pay on promotion is calculated by applying the pay on promotion percentage increase to your existing pay including the Staff Officer Internal Audit pay lead.

5.3 The Internal Audit pay leads at Deputy Principal level were removed with effect from 1 August 2006. Starting pay on promotion from Deputy Principal Internal Audit is calculated by applying the pay on promotion percentage to your existing basic pay.

Promotion out of the Audit Discipline

5.4 Where you are in an Internal Audit post at any grade and you move on promotion out of the Internal Audit discipline and into a non-qualifying General Service post, pay on promotion should be calculated as follows:

- for Staff Officers Internal Audit, your Internal Audit scale pay point will be cross referenced to the corresponding General Service pay scale on a pay point to pay point basis, in other words the specialist audit pay lead will be disregarded;
- pay on promotion terms will be applied;

- you will be moved to the equivalent or next highest pay point on the General Service scale for the higher grade;
- if salary in issue in the lower audit grade was higher than the new starting pay on promotion, the lower grade audit salary should be retained on a mark- time basis.
- if you are at any other level in the audit discipline where there is no pay lead, pay on promotion terms should be applied to your existing basic salary.

6 Remuneration of Accountants– Conditions of Payment of Allowances

6.1 Accountancy allowances are payable to qualified members of staff in certain accountancy posts in the grades of Executive Officer II, Executive Officer 1 and Staff Officer who have successfully completed some or all of the various examination stages of the professional bodies listed at Annex 1 of this policy. The allowances are paid outside of and in addition to the salary scales.

6.2 Allowances are payable to you if you are professionally qualified and occupying posts, a major element of which requires accounting expertise. Annex 2 of this policy provides examples of such posts.

6.3 The final stage allowance for Executive Officer II, Executive Officer I and Staff Officer has been assimilated within the appropriate Accountant pay scale for each of these grade levels.

6.4 The Deputy Principal Accountant pay leads were removed with effect from 1 August 2006 and replaced with an arrangement that allows the Staff Officer Accountant pay lead to be taken into account when calculating starting pay on promotion from the Staff Officer Accountant grade (see section 8 below).

6.5 Exemptions may qualify for payment of part qualified allowances to you if you are working in recognised accountancy posts. If you think they may be eligible to be considered you should obtain a letter of certification of exemption from the appropriate professional body listed at Annex 1 and submit this through your Head of Branch to your Establishment/Personnel Officer for consideration.

7 Pay on Transfer into and out of Accountancy Posts

Pay on Transfer into the Accountancy Discipline

7.1 If you transfer from the Generalist Staff Officer grade into the Accountancy discipline on a lateral basis, in other words movement at the same level, you should move from the General Service pay scale to the Staff Officer Accountant pay scale on a pay point to pay point basis.

7.2 If you transfer from the Generalist discipline at any other level you will retain your existing rate of pay.

Pay on Transfer out of the Accountancy Discipline

7.3 If you move out of the accountancy specialism as part of a recognised career development plan you may retain your allowance/higher rate of pay (where applicable) in full for up to three years after which time the higher rate of pay is retained on a mark-time basis. It is expected that in these special portability circumstances you will return to your accountancy specialism within a period of three years (exact timing may depend on availability of posting).

7.4 These special arrangements do not apply to you if you choose to leave the accountancy specialism because you no longer wish to pursue a career in this field (see section 7.6 below).

7.5 If you are in receipt of an accountancy allowance or pay lead you may retain your allowance or pay lead on a mark-time basis on transfer, at management's request, to a post in which accountancy rates are not payable.

7.6 If you voluntarily opt out of the accountancy field, or are moved because of less than satisfactory performance, including if you are covered by the special portability arrangements (7.3 above) you lose any allowance or pay lead immediately with no mark-time protection.

7.7 If you are in a grade without an accountancy pay lead (for example Deputy Principal Accountant) and you transfer at the same level to a non-accounting post, re-grading arrangements should apply (see policy 8.30 Starting Pay on Transfer to a New Grade).

8 Pay on Promotion – Accountancy Posts

Treatment of Accountancy Allowances on Promotion

8.1 Eligibility for payment of Accountancy allowances will continue on promotion from a lower qualifying grade to a higher qualifying grade where the accountancy allowance is still applicable.

8.2 Where an accountancy allowance continues in payment at the higher grade pay on promotion will be calculated as follows:

- disregard the allowance and apply pay on promotion terms to basic pay;
- assimilate to the higher grade pay scale at the equivalent or next highest point;
- the allowance continues in payment in the higher grade.

8.3 Where promotion is to a post or grade ineligible for receipt of an accountancy allowance, existing lower grade pay plus allowance may be retained on a mark-time basis if this is more favourable than starting pay on promotion determined in accordance with section 8.2 above.

Pay on Promotion – Fully Qualified Posts

8.4 If you move on promotion from a General Service post into a fully qualified Accountancy post (in other words paid on an Accountant pay scale at fully qualified rates), pay on promotion is calculated as follows:

- pay on promotion terms is applied to existing (General Service) substantive pay (see policy 8.30 Starting Pay on Transfer to a New Grade);
- you will be moved to the equivalent or next highest pay point on the higher grade General Service pay scale;
- you will be moved across to the Accountant pay scale on a pay point to pay point basis.

8.5 If you are in a fully qualified post (except Staff Officer Accountant – see section 8.6 below) and promoted within the accountancy discipline, you should have pay on promotion calculated as follows:

- your Accountant scale pay point will be cross referenced to the corresponding General Service payscale on a pay point to pay point basis, in other words the specialist accountancy pay lead will be disregarded
- pay on promotion terms will be applied to General Service pay rate;
- you will be moved to the equivalent or next highest pay point on the higher grade General Service pay scale;
- you will be moved across to the Accountant pay scale on a pay point to pay point basis.

8.6 With effect from 1 August 2006 where as a Staff Officer Accountant in a fully qualified Accountant post you move on promotion, for example into a Deputy Principal Accountant post (in other words promotion is within the Accountancy discipline) pay on promotion should be calculated on your existing pay, including the Staff Officer Accountant pay lead, in other words the pay lead should not be disregarded when calculating pay on promotion from Staff Officer Accountant.

8.7 Where as a Staff Officer Accountant in a fully qualified Accountant post you move on promotion out of the Accountancy discipline and into a non-Accountancy post, the pay lead is disregarded and pay on promotion should be calculated as follows:

- your Accountant scale pay point will be cross referenced to the corresponding General Service pay scale on a pay point to pay point basis, in other words the pay lead is disregarded;
- pay on promotion terms will be applied;
- you will be moved to the equivalent or next highest pay point on the General Service scale for the higher grade;
- if salary in issue in the lower Staff Officer Accountant grade was higher than the new starting pay on promotion, the lower grade Accountant salary may be retained on a mark-time basis.

8.8 Starting pay on promotion from a grade in the Accountancy discipline that does not have a pay lead (for example Deputy Principal Accountant) is calculated on your existing basic pay.

9 Status of Accountancy Allowances

9.1 Accountancy allowances will not reckon for the calculation of overtime. They are reckonable for pension purposes and the Widow(er)s and Dependants' pension scheme.

9.2 Accountancy allowances are not an inherent feature of the pay arrangements for the grades concerned and they may be modified or withdrawn by the Department of Finance and Personnel, subject to negotiations with Trade Union Side, if considerations justifying their payment change.

Remuneration of Audit and Accountancy Staff

ANNEX 1

Accountancy Allowances for EOII, EOI and Staff Officer

Allowances for partly qualified accountants - 1.4.95
£616

Accountancy Body	Allowance Payable		Fully Qualified Rates*
	£616	Additional £616	
Chartered Institute of Management Accountants	Foundation	Intermediate	Final
Institute of Chartered Accountants:			
England, Wales or Scotland	Foundation Education **	Professional Stage	Advanced Stage
Ireland	Foundation Education ** I	Professional Two Examination	Final Admitting Examination
Association of Chartered Certified Accountants	Part 1	Part 2	Part 3
Chartered Institute of Public Finance and Accountancy	Certificate Level	Diploma Level	Final Test

* With effect from 1.10.89 the final stage accountancy allowance for EOII, EOIs and SOs was subsumed into separate scales. This was authorised by CSC 26/91 dated 7 June 1991. If you enter an accountancy grade pay band you will have your pay determined by moving from your existing generalist grade pay point to the equivalent pay point on the relevant accountancy scale.

** In order to be eligible to sit the intermediate examination you must satisfy the Institute that you meet the Foundation Education requirements; you must be registered with the Institute; and you must meet the minimum educational standard and other eligibility requirements for entering a training contract.

Providing these conditions are met, this stage of the allowance is payable from the latest date on which you can register for the intermediate examinations; in other words three months before the first day of the month in which the examination takes place.

Accountancy Input Areas

1. Financial Audit

The certification audit work of the accounts of public bodies, grant aided bodies, and so on.

2. Financial Management and Management Accounting

- a. The preparation, co-ordination and approval of long-term plans and of budgets and short-term estimates;
- b. budgetary control procedures, including the monitoring of spending against plans;
- c. the design, specification and operation of accounting and financial control systems;
- d. management of cash resources;
- e. management of assets (stocks, work-in-progress, equipment, buildings);
- f. detailed investigation of particular cost elements (for example transport, storage, incentive bonus payments, productivity arrangements);
- g. advice on pricing strategy;
- h. the design, introduction, development and operation of departmental management accounting systems (for example trading funds).

3. Investigatory

- a. Profit formulae, cost certifications, overhead recovery, rents, cost sharing, capital assistance for Contract Pricing;
- b. financial investigation of companies and projects (e.g. those seeking government assistance under Industry Act schemes);
- c. detailed investigation of business returns and accounts rendered for taxation purposes where serious fraud or irregularity is suspected. Enquiry into and advice on professional standards of practising accountants.

Remuneration of Audit and Accountancy Staff

ANNEX 2 (Cont'd)

4. Investment and Planning

- a. Areas where there is a requirement to evaluate the long term effect of decisions which involve cash outlay: -

‘Make or Buy’

‘Now or Later’

‘Method A or Method B’

- b. Capital programmes and their effects upon future current forward plans of Government Agencies and Public Corporations.