

HR

Pay on appointment policy for staff at Grade AA to Grade 6

Last Updated: March 2022

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1. Introduction

1.1 This policy sets out the pay on appointment rules for staff below SCS in core Defra, VMD, APHA and RPA. This policy applies to permanent FTA, and STA appointments. Details of allowances payable are set out in a [separate policy](#).

2. Pay on appointment for existing civil servants

2.1 Level Transfer

Staff moving on a level transfer, i.e. the same grade, within the same location (London or national) will retain their current base salary or move to the Defra pay range minimum, whichever is higher.

Where an individual is on a salary above the Defra pay range maximum, they will keep their salary by being placed on the Defra maximum with the difference paid as a mark time allowance. This allowance reduces as base pay increase until such time as base pay reaches the level of pay on transfer. The allowance is pensionable. .

Section 2.3 sets out the rules for [changing between London and national locations](#).

If an individual is in receipt of an allowance, section 2.4 sets out rules for [‘Treatment of Allowances’](#)

2.2 On promotion

Staff moving on promotion will have their salary increased by 10% or move to the new pay range minimum, whichever is higher.

Salary on promotion will not be higher than the new Defra pay range maximum. Where a member of staff changes pay region, the promotion calculation will be applied before any change in pay location is calculated.

2.3 Changes in pay location

Defra operates two pay regions: London and National. London pay applies to the offices identified in [Annex A](#) with all other locations identified as national. Staff will be deemed as moving pay location if they move from a London based office to a national office or vice versa.

If someone voluntarily moves from a London to national pay location any reduction in pay will not be retained on a mark time basis. For voluntary moves London salary cannot be retained under any circumstances.

If an individual has a pre-existing mark time allowance and moves to a pay location that pays a higher rate than their existing pay range, the recalculation will erode the mark time allowance.

Where they are moving into a pay location that pays a lower rate than their existing pay range, their mark time allowance does not change but is eroded by subsequent pay increases.

2.3.2 Pay calculation for transfers with a change in pay location

Base pay is adjusted, using a 3 step calculation, to ensure staff remain on the same point on the pay range when moving pay location:

Step i.

$$\frac{(\text{Existing salary} - \text{existing grade minimum})}{(\text{Existing grade maximum} - \text{existing grade minimum})} = A$$

Step ii.

$$(\text{New grade maximum} - \text{new grade minimum}) \times A = B$$

Step iii.

$$\text{New grade minimum} + B = \text{New salary}$$

2.3.3 National to London pay calculation example

Person A is on HEO national salary of £30,000 and is moving to a London based role on level transfer.

Step i

$$£30,000 \text{ (person A's existing salary)} - £29,179 \text{ (HEO national minimum)} = £821$$

$$\text{HEO national maximum (£32,160)} - \text{HEO national minimum (£29,719)} = £2,981$$

$$£821 \div £2,981 = 0.2754 = A$$

This means that person A is 27.54% along the HEO national pay scale

Step ii

HEO London maximum (£35,888) minus the HEO London minimum (£32,557) is £3,331. (i.e. £35,888 - £32,557 = £3,331)

27.54% of the HEO London pay range (£3,331) is £917 (i.e. £3,331 x 0.2754 = £917 rounded)

Step iii

£917 + the HEO London minimum (£32,557) = £33,474 which is Person A's London equivalent salary.

2.3.4 London to National pay calculation example

Person B is on an SEO London salary of £41,000 and is moving to a national based role on level transfer

Step i

£41,000 (Person B's existing salary) - £38,751 (SEO London minimum) = £2,249

SEO London maximum (£43,847) – SEO London minimum (£38,751) = £5,096

£2,249 ÷ £5,096 = 0.4413 = B

This means that person B is 44.13% along the SEO London scale.

Step ii

SEO National maximum (£40,613) minus the SEO National minimum (£35,895) is £4,718.

44.13% of the SEO National pay range (£4,718) is £2,082.

Step iii

£2,082 + the SEO National minimum (£35,895) = £37,997 which is person B's National equivalent salary.

2.4 Treatment of allowances

Where existing Civil Servants are paid an allowance or specialist supplement in their previous department that is not recognised by Defra it will not be payable upon joining Defra. Please refer to the [allowance policy](#) for information on allowances payable in Defra. Allowances will not form part of the calculation for base pay.

If an individual is in receipt of a London weighting allowance from their previous department and is transferring to a role in the Defra London pay region, the London weighting will be consolidated into pay on a permanent transfer into Defra. If transferring to a Defra national role London weighting would be lost.

Where an individual is on a salary in their previous department above the Defra maximum for a role at the equivalent grade, they will keep their salary by being placed on the Defra maximum and the rest will be paid as a pensionable and erodible mark time allowance.

London weighting will also continue to be paid as an allowance when an individual is on loan to a role in the Defra London pay region and remains on their home department's payroll. Unless the individual moves onto Defra's payroll where they would be moved onto Defra's London pay.

3. Payment on Appointment for New Entrants

This section sets out the pay on appointment rules for new entrants to the Civil Service joining the Department, including from Non Departmental Public Bodies (NDPBs).

The expectation is that individuals should be appointed on the pay range minimum. A case for a higher starting salary may be made in exceptional cases. Recruiting managers must approach their HR business partner (HRBP) team as soon as they believe that a higher starting salary might be required.

Recruiting managers must not agree or offer any salary above the pay range minimum with candidates before following the processes set out in this document.

Salary negotiations should only take place once it is clear a potential recruit will not accept an offer at the pay range minimum. Even then, discussions should only be undertaken to gain an understanding of the applicant's salary expectations.

Any offer made by a recruiting manager to a candidate without first completing the process set out in this document will not be honoured until the correct level of approval has been gained.

3.2 Advertising posts

Unless there are pre-approved allowances or supplements, all posts are advertised quoting the whole pay range (e.g., "from £xx, xxx") or the whole range (e.g., "£xx, xxx to £xx, xxx") including both National and London pay. Adverts specifically state our pay on appointment rules. Recruiting managers are responsible for being aware of the pay on appointment rules.

If you believe that following the pay on appointment rules will prevent you from attracting candidates with the right skills, experience or knowledge for the role advertised you must contact your HRBP who will contact the [Defra group Reward Team](#) to discuss possible solutions.

3.3 Approval for a higher starting salary

Any salary offer above the minimum of the pay range can only be made once it has been signed off by the Head of Defra group Reward.

3.3.2 Responsibilities

It is the responsibility of Recruiting Managers to ensure:

They have read and understood pay on appointment rules prior to recruitment

- Starting salaries are not agreed at interview. While it is recommended interview, panels discuss candidate's salary expectations, no commitments should be made that may be taken as a formal or contractual offer of salary.
- Salaries are not discussed in isolation and candidates are made aware of the full package available to them (total reward package).
- If a higher salary is requested, a robust business case must be submitted to the Defra group Reward Team for approval following consultation with your HRBP

- Where there is a legal challenge arising from pay on appointment, to defend differences in salary and present the circumstances that supported it, including attendance in Court, where necessary. This will be undertaken with the support of Defra HR.

It is the responsibility of SSCL to ensure:

- No formal offer of a salary is made to an individual until it has been signed off by Defra group Reward unless at the pay grade minimum.

It is the responsibility of the Defra group Reward Team to:

- Review and challenge any business cases requesting offers for higher starting salaries with recommendations (and forward it to the relevant party for agreement where necessary) to ensure they are robust and will stand up to legal challenge.
- Undertake any benchmarking exercises required.
- Keep a record of successful requests so that any outcomes can be monitored and reviewed as part of the Departmental Equal Pay Review.

3.3.3 Cases for Higher starting Salary

Before completing the [business case template](#) read all pay on appointment guidance. Higher starting salary requests are only for recruitment via external campaigns.

For Pay on appointment policy for existing civil servants refer to [section 2](#).

The case should include:

- The job advert or role description and the relevant skills/experience/qualifications the candidate brings that cannot be sourced more reasonably elsewhere.
- Evidence that the base starting salary was offered and rejected, as well as any other steps taken to recruit the candidate at this level including discussion of the total package offered by the department (e.g. pension, flexible working hours, learning and development opportunities, interesting projects, etc.)
- Any business critical risks of not appointing this candidate.
- The impact, in terms of equality and fairness to other staff, especially in the same business area and at the same grade.
- Market information about the role which may include demand and market rates for similar roles.
- Answers to all questions raised in the template. The current template form linked to this document provides a clear structure and guidance on the content required.

Submitted business cases are expected to be more robust for salaries higher in the pay range.

Business cases must be reviewed by the appropriate HRBP before being submitted to the [Defra group Reward Team](#).

Annex A – Offices within the London Pay Region

- Animal Health, The Residence – Heathrow
- APHA, Building 4 - Heathrow
- APHA Weybridge
- VMD Addlestone
- Defra Weybridge
- London Nobel House
- 2 Marsham Street

January 2022