



Circular 6/2017

22<sup>nd</sup> March 2017

To: Rosarii Mannion, National Director of Human Resources, HSE CEO's of the NCSSB's

Application of 1 April 2017 pay adjustments and related measures in accordance with the Financial Emergency Measures in the Public Interest Act 2015 and the Public Service Stability Agreement 2013 – 2018 (Lansdowne Road Agreement)

# Dear Sir/Madam

I am directed by the Minister for Health to convey the following instructions, following on from the circular which issued on 11<sup>th</sup> December 2015, with regard to the application of adjustments to health sector pay in accordance with the Financial Emergency Measures in the Public Interest Act 2015 (No. 39 of 2015) (FEMPI 2015) and the relevant provisions of the Lansdowne Road Agreement.

## 1. General

- 1.1 This circular sets out the revised pay rates applying to public servants from 1 April 2017 and 1 September 2017 as outlined in DPER Circular 08/2017.
- 1.2 This circular provides for an adjustment to pay rates for certain public servants to include an additional payment from April to August 2017 inclusive for those earning up to €65,000, the continued application of the €1,000 annualised payment from 1 September 2017 for those earning up to €65,000 and the first phase of pay restoration for public servants who were subject to pay adjustment under the Financial Emergency Measures in the Public Interest Act 2013 (FEMPI 2013) (Haddington Road Agreement).
- 1.3 The pay adjustments should be applied, as appropriate, from 1 April 2017.

# 2. Pay adjustments

2.1 In order to address the anomalies which arose following the recent Labour Court Recommendations for certain Garda Associations, the Government has agreed to an additional payment which provides for a proportionate increase in the annualised payment of €1,000 for the period 1 April 2017 to 31 August 2017 inclusive for civil and public servants who:



healthy Ireland

Cuirfear fáilte roimh chomhfhreagras i nGaeilge

An Roinn Sláinte/Department of Health Teach Haicin Baile Átha Cliath, D02 VW90 Hawkins House Dublin, D02 VW90

Fón/Tel (01) 635 4000
Facs/Fax (01) 635 4001
R-phost/Email info@health.gov.ie
Suíomh Gréasáin/Web www.health.gov.ie

- (i) are on annualised salaries up to €65,000;
- (ii) are parties to the Lansdowne Road Agreement; and
- (iii) do not stand to benefit from the Labour Court Recommendation (CD/16/321 & CD/16/322)
- 2.2 To give further ongoing effect to the measure set out in paragraph 2.1 above and the provisions of the Public Service Stability Agreement 2013 2018 (Lansdowne Road Agreement), the following adjustments to annualised salaries will be applied to the salaries of civil and public servants with effect from 1 September 2017:
  - The annualised salaries of those earning up to €65,000 will be increased by €1,000

Note: The eligibility requirements set out in (ii) and (iii) of paragraph 2.1 above, will not be applicable to the 1 September 2017 adjustment.

- 2.3 To give further effect to the measures set out in section 6C of FEMPI (No. 2) 2009 as inserted by section 3 of the Financial Emergency Measures in the Public Interest Act 2015 (No. 39 of 2015) the following adjustments to annualised salaries will be applied with effect from 1 April 2017:
  - For those earning not less than €65,000 and not more than €110,000, one half of the amount of the reduction incurred under FEMPI 2013 (Haddington Road Agreement) will be restored.
  - For those earning in excess of €110,000, one third of the amount of the reduction incurred under FEMPI
     2013 (Haddington Road Agreement) will be restored.
- 2.4 Revised consolidated salary scales with effect from 1 April 2017 for members of health sector grades are attached.
- 2.5 In a small number of instances, the implementation of the pay increases gives rise to a situation where an increase to one scale point has resulted in this point exceeding a higher point on the scale. The Department of Public Expenditure and Reform has issued an information notice to advise of the amendments to be made to the scales in these cases, and these adjustments have already been made within the Consolidated Salary Scales. This notice is attached at Appendix 1 for information only.

## 3. Further Pay Related Circulars

Further circulars will issue with regard to those provisions of section 6C of FEMPI (No. 2) 2009, as inserted by section 3 of the Financial Emergency Measures in the Public Interest Act 2015 (No. 39 of 2015) which come into effect on 1 January 2018 for those earning not less than €65,000 and not more than €110,000 and on 1 April 2018 and 1 April 2019 for those earning in excess of €110,000.

## 4. Overtime

Payment in respect of overtime rendered on or subsequent to 1 April 2017 by members of grades to which this circular applies should be calculated by reference to the revised pay rates with effect from 1 April 2017.

#### 5. Premium Rates of Pay

Premium rates of pay payable in respect of or subsequent to 1 April 2017 which are calculated as specific percentage or specified proportion of basic salary should be calculated by reference to the revised rates of pay with effect from 1 April 2017.

# 6. Allowances

- 6.1 Allowances which are calculated as a specific percentage or specified portion of basic pay should be calculated by reference to the revised rates of pay with effect from 1 April 2017.
- 6.2 Fixed allowances are unaffected by these measures.

### 7. Pension Entitlement 'Grace Period'

Public Service employers are reminded, as already referred to in DoH Circular 17/2015, that for the purposes of calculating pension and lump sum awards at retirement, the pay reductions applied under FEMPI 2013 (Haddington Road Agreement) are disregarded for persons who retire from the public service up to 1 April 2019. This "grace period" is provided for originally under section 9 of FEMPI 2013, and has been extended to 1 April 2019 by S.I. No. 547 of 2015 - Public Service Pension Rights (No. 2) Order 2015. Public servants who retire during the grace period may benefit by having their pensions and retirement lump sums calculated by reference to salary rates which discount the impact of the FEMPI 2013 salary adjustments applied to salaries of €65,000 and above. Public servants who retire during the grace period are also entitled to have any impact on pay arising from FEMPI 2013 suspension of the operation of a pay scale i.e. increment freeze or delay, discounted in the calculation of their pension and lump sum awards.

#### 8. Queries

All employee queries should be directed to the relevant employer. Requests for clarification from payroll and hr managers should be directed to <a href="Mattender-National Include-National Incl

#### 9. Circulation

The contents of this circular should be brought to the attention of all HR managers, payroll staff, and all employees of the HSE, Section 38 agencies and the NCSSBs.

Yours sincerely

Teresa Cody

**Assistant Secretary**