

**To: Personnel Officers**

**FOR INFORMATION**

Under the Financial Emergency Measures in the Public Interest Act 2015, which gives effect to the terms of the Haddington Road/Lansdowne Road collective agreement, pay increases variously apply in 2016 to public servants on annual salaries up to €24,000 and on salaries between €24,001 and €31,000 and, in 2017, to public servants on salaries up to €55,000. Similar to the implementation of the pay increases in 2016, there are a very small number of incremental salary scales in the public service, where even a small increase to one scale point can result in this point exceeding the next, or even the next two or three scale points. Therefore there is the possibility that those just above the cut-off point for receiving the €1,000 increase (from April 2017) may end up earning less than a staff member who was previously earning less than him/her; e.g. a €1,000 pay increase to a public servant on an annual salary just below €55,000 may increase their pay beyond that of a public servant on a salary just above €55,000, on the same scale, who receives pay restoration.

To address the above issue, the Minister for Public Expenditure and Reform made a Direction to amend any incremental scale where the operation of a pay increase, in accordance with the provisions of the Lansdowne Road Agreement, results in increment 'leapfrogging', i.e. a lower point on the scale will overtake a higher point on the same scale. Any higher increments 'leapfrogged' in this way will be increased so they are the same value as the lower point following the application of the pay increase.

The effect of this Direction, which is made under Section 3 (6B) of the Financial Emergency Measures in the Public Interest Act 2015, will result in two or more increment points on the scale being identical, and the staff affected will therefore remain at the same pay level for two or more years even though they have not reached the top of their scale. This is in line with the current practice for scales where points are identical. An example of a pay scale illustrating the effect of this Direction is attached in Appendix 1.

Please amend any scales so effected in your Department and bring the notice of the direction made to the Agencies and Bodies under the aegis of your Department. If you have any queries please contact Christopher Ryan at 01-6045844, Email [christopher.ryan@per.gov.ie](mailto:christopher.ryan@per.gov.ie) or Ciara Doyle at 076 1007235, Email [ciara.doyle@per.gov.ie](mailto:ciara.doyle@per.gov.ie)

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## Appendix 1

Example of Application of Direction under Section 3 (6B) FEMPI Act 2015 to Payscale

	<b>Scale Point</b>	<b>Annualised</b>	<b>FEMPI 2017 Increase</b>	<b>Amended Scale</b>
On Recruitment	1	€64,812	<b>€65,812</b>	<b>€65,812</b>
after 0.5 years	2	<b>€65,000</b>	<b>€65,702</b>	<b>€65,812</b>
after 1.5 years	3	€65,114	€67,009	€67,009
after 2.5 years	4	€67,485	€69,449	€69,449
after 3.5 years	5	€69,838	€71,871	€71,871
after 4.5 years	6	€72,202	€74,303	€74,303
after 5.5 years	7	€74,550	€76,720	€76,720