



Circular 10/2022

18 October 2022

To: National Director of Human Resources, HSE
CEOs and HR Managers of the NCSAs

Application of pay adjustments 2 February 2022 and 1 October 2022 as provided for in “Building Momentum - A New Public Service Agreement 2021-2022” as amended

Dear Sir/Madam

I am directed by the Minister for Health to convey the following instructions regarding pay adjustments due on 2 February 2022, and 1 October 2022.

Building Momentum – Public Service Agreement 2021-2023 as amended

Adjustments wef 2 February 2022 and 1 October 2022

General

This circular provides for pay increases due on 2 February 2022 as an amendment to the Agreement, and for pay increases due on 1 October 2022 as provided for in the Agreement.

The circular also provides for a 3% adjustment on 2 February 2022 and a 1% adjustment on 1 October 2022 in the rate of allowances in the nature of pay.

Adjustments should be rounded to the nearest euro on annual pay scales and to the nearest cent on weekly pay scales. Hourly rates should be rounded to the nearest €0.001.

It should be noted that grades that received more than 4% FEMPI restoration under DoH Circular 6/2022 will not benefit from further adjustments as of 2 February 2022 and 1 October 2022.

The pay adjustments should be applied, as appropriate, from 2 February 2022 and 1 October 2022.

This circular also sets out arrangements in respect of the Additional Superannuation Contribution (ASC) for the year 2022.

Adjustments wef 2 February 2022 and 1 October 2022

Following the review of Building Momentum, a 3% pay adjustment was agreed and will be implemented with effect from 2 February 2022.

In accordance with section 3 of the Agreement, the annualised amount of the basic salary of public health sector employees will be increased by 1% or €500 whichever is greater with effect from 1 October 2022 subject to the following:

Section 3.1.4 of the Agreement applies to the general round increases in 2022. This section addresses application of general round increases for salaries that have received FEMPI pay restoration in that year and states that:

“Where an individual is due an amount of pay restoration... by July 2022 under Section 20 of the Public Service Pay Pensions Act 2017, they will not benefit from the general round increase in that year. Where the amount of restoration in July is less than the general round increase the individual will be eligible to be paid the balance on the date of the general round increase.”

Accordingly, in line with the provisions of the Agreement, for salaries that received FEMPI pay restoration on 1 July 2022, the following applies:

- (i) Where the amount of restoration on 1 July 2022 was equal to or greater than the general round increases of 3% and 1% combined (effectively 4.03%¹), there is no adjustment to the salary on 2 February 2022 or 1 October 2022.
- (ii) Where the amount of restoration on 1 July 2022 was equal to or greater than the general round increase of 3%, but less than the general round increases of 3% and 1% combined (effectively 4.03%), there is no adjustment to the salary on 2 February 2022, but the salary receives the balance (ie the difference between the 1 July restoration and 4.03%) on 1 October 2022;
- (iii) Where the amount of restoration on 1 July 2022 is less than the general round increase of 3%, the salary receives the balance (i.e. the difference between the 1 July restoration and 3%) on 2 February 2022. From 1 July 2022, reflecting FEMPI restoration and the balance of 3%, the salary will reflect a 3% increase on the 1 February 2022 salary. The salary then receives the 1% general round increase on 1 October 2022.

Adjustments in respect of Sectoral Bargaining for the Medical/Dental Bargaining Unit are yet to be finalised and as such, are not included in this circular or associated pay scales. A separate direction will issue in respect of adjustments to this final Bargaining Unit once agreed, however in the interim, **the adjustments that are set out in the salary scales associated with this circular, must be applied.**

Pensions

Pension increases

The principle of pay parity under pre-existing pension schemes has been agreed up to the end of 2023 in line with the amended agreement under Building Momentum. To determine if an increase is due to applicable pensions in payment, up to end 2022, please refer to the detailed guidance contained in DPER Circulars 20/2017, 02/2018, 19/2019 and 10/2021, as well as DoH Circulars 9/2021 and 10/2021.

Single Public Service Pension Scheme ('Single Scheme') pensions are uprated in-line with the Consumer Price Index (CPI). Therefore pensions in payment in respect of former public servants who served in grades to which this circular applies, will not be adjusted with reference to the revisions of basic pay set out above.

¹ As the 1% general round increase on 01 October 2022 occurs after the 3% general round increase on 02 February 2022, the combined increase is effectively 4.03%. (Example: (i) 02 February 2022: €100 + 3% = €103 (ii) 01 October 2022: €103 + 1% = €104.03, equivalent to an increase of 4.03%)

Pension Contributions and ASC

Periodic contributions in respect of ASC, main scheme and Spouses and Children's as applicable shall be deducted from all arrears of pensionable remuneration payable under this circular. The ASC rates as set out in 2020 continue to apply.

Thresholds/Rates in 2022 and 2023

Member of a standard accrual pension scheme	Member of a fast accrual pension scheme	Member of the Single Scheme
€0 - €34,500 @ 0%	€0 - €28,750 @ 0%	€0 - €34,500 @ 0%
>€34,500 - €60,000 @ 10%	>€28,750 – €60,000 @ 10%	>€34,500 - €60,000 @ 3.33%
>€60,000 @ 10.5%	>€60,000 @ 10.5%	>€60,000 @ 3.5%

Pension Revisions for pre-existing public service pension schemes

The Pensions of those who are members of a pre-existing public service pension scheme (Non-Single Scheme) which are in payment from 2 February 2022 in respect of former Public Servants who served in grades to which this circular applies, will be adjusted as appropriate in the normal way, by reference to the revisions of basic pay set out above. Agencies which, under delegated authority, grant pensions and lump sums may, subject to any necessary prior consultation with this Department (HSE or the NCSA Agencies), or subject to any necessary prior consultation with the HSE (S.38 Agencies), revise pension payments strictly in accordance with this circular.

The lump sums of the officers in the grades to which this Circular applies who retired on or after 2 February 2022 should also be revised by reference to the revisions of basic pay set out above as appropriate. Deductions from lump sums in respect of non-periodic contributions (such as under Spouses and Children's Pension Schemes) should also be adjusted in these cases. The lump sum of officers in the grades to which this circular applies who retired before 2 February 2022 should **not** be adjusted.

Pension Benefit Cap under section 52 (6) and (7) of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012

Where an individual is encompassed by DoH Circular 9/2020 and there is a retrospective increase to the pensionable remuneration values effective at date of retirement, then that financial benefit cap calculation should be reviewed. This will only apply where there is a change to the rates at the date of retirement/to be included in the financial benefit cap calculation. Where the effective date of an increase is after an individual's retirement, then the relevant pension increase policy will apply in the usual way i.e. the benefit cap calculation itself would generally not be revisited for every future change in salary following an individual's retirement.

Pension Revisions for the Single Public Service Pension Scheme

For Single Scheme pensioners who were working as public servants (in grades to which this circular applies) on the dates of the revision of basic pay (i.e. 2 February 2022 and/or 1 July 2022 and/or 1 October 2022) and subsequently retired in the period from 2 February 2022 to 1 October 2022, their referable amounts accrued and contribution deductions owed will be re-calculated. Lump sum and pensions paid will then be adjusted, as appropriate.

This aforementioned calculation should also be undertaken by Relevant Authorities for the following classes:

- Cost-Neutral Early Retirement (CNER)
- Ill-Health Retirement (including Short Service Gratuity)
- Pension Adjustment Orders (PAOs)
- Death-in-Service (Spouse / Partner / Eligible Child)
- Death Gratuity
- Any other relevant cases

Final Retirement Benefit Statements and Leaver Statements for Single Scheme members in the grades to which this circular applies, who were working as public servants on the dates of the revision of basic pay and who subsequently retired or left their respective Relevant Authority may also have to be adjusted, as appropriate.

Please note that, as previously stated, the lump sum and pensions of officers in the grades to which this circular applies who retired before 2 February 2022 should not be adjusted.

Overtime

Payment in respect of overtime rendered on or after 2 February 2022 and 1 October 2022 by members of certain grades to which this circular applies should be calculated by reference to the revised pay rates in effect from 2 February 2022 and 1 October 2022.

Premium Rates of Pay

Premium rates of pay payable on/or after 2 February 2022 and 1 October 2022 which are calculated as specific percentage or specified proportion of basic salary should be calculated by reference to the revised rates of pay in effect from 2 February and 1 October 2022.

Allowances

Allowances in the nature of pay for public health sector employees to whom this circular applies may be increased by 3% from 2 February and 1% from 1 October 2022.

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 in effect from 2 February 2022 and 1 October 2022.

General Queries

Requests for clarification from individual employees should be directed to the employees own HR Manager where they are employed. Requests for clarification from HR Managers in the NCSAs and from the HSE National Employee Relations Service should be raised directly with National_HR_Unit@health.gov.ie

Circulation

Please bring this circular to the attention of relevant hr managers, payroll and staff of your organisation as appropriate. The HSE is also requested to bring this circular to the attention of relevant Section 38 employers.

Yours sincerely



Margaret Campbell, Principal Officer
People, Pay and Superannuation Unit