



**Oifig an Stiúrtóra Náisiúnta, Acmhainní Daonna**

Feidhmeannacht na Seirbhísí Sláinte

Ospidéal Dr. Steevens'

Baile Átha Cliath 8

**Office of the National Director of Human Resources**

Health Service Executive

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Dublin 8

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**To:**

- Chief Executive Officer**
- Each National Director**
- Each Assistant National Director HR**
- Each Assistant Chief Finance Officer**
- Each Hospital Group CEO**
- Each Hospital Group Director of HR**
- Each Chief Officer CHOs**
- Each Head of HR CHOs**
- Head of HR, PCRS**
- Each CEO Section 38 Agencies**
- Each HR Manager Section 38 Agencies**
- Each Employee Relations Manager**
- Each Group Director of Nursing & Midwifery**
- Each Group Director of Midwifery**
- Each Clinical Director**
- Director National Ambulance Service**

**From:** Anne Marie Hoey, National Director of Human Resources

**Date:** 3<sup>rd</sup> March 2021

**Re:** HR Circular 011/2021: FEMPI – Cessation of the fully cut rate of remuneration for the calculation of pensions, pension contributions and purchase of notional service for certain grades in the Management/Admin staff category

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Dear Colleagues,

I refer to the attached Department of Health Circular (4/2021) which outlines the cessation of the fully cut rate of remuneration for the calculation of pensions, pension contributions and purchase of notional service for certain grades in the Management/Admin staff category with effect from 1 September 2019, and for two

other grades with effect from 1 September 2020. The attached Circular should be read for full details on these provisions.

The Circular outlines that a number of senior management grades in the Management/Admin section of the Department's Consolidated Salary Scales had two rates listed per grade since the introduction of the FEMPI pay cuts. The first rate was the fully cut rate of remuneration arising from Section 2 of the FEMPI (No.2) Act 2009. The second rate modified the reduction for certain grades because of a Ministerial determination under Section 6 of the Act due to the termination of Performance Related Award schemes. As the Act provided that any such modification does not apply for the calculation of pensions, pension contributions and purchase of notional service (pension and lump sum), the fully cut rate was the rate used for superannuation purposes for these grades. Use of the fully cut rate for superannuation purposes can cease however once the gross (i.e. modified cut) salary of a grade exceeds its corresponding pre-FEMPI level.

In line with this latter provision, the attached Circular outlines that instruction was provided in the 1.9.2019 Department of Health Consolidated Salary Scales (Guide to the Scales section) on the discontinuation of the rate for the calculation of pensions, pension contributions and purchase of notional service for certain senior manager grades whose Section 6 adjusted rate of pay had at that date exceeded the pre-FEMPI rate. This did not apply in the case of two grades, the National Director of National Hospitals Office (ND NHO) and National Director of Primary Continuing and Community Care (ND PCCC), both obsolete. In their case, the section 6 rate of pay did not surpass the pre-FEMPI rate until 1.10.2020.

The attached Circular identifies that a rate for pensions, pension contributions and purchase of notional service was included in error for all affected grades in the October 2020 scales and these rates should be disregarded. It is intended that the correct and up to date position for all impacted grades will be clearly set out in the next set of Department of Health Consolidated Salary Scales. For ease of reference, an accurate listing is set out in the attached Circular showing the rates that should be disregarded shaded in grey.

The HSE and relevant Section 38 employers are required to make appropriate arrangements to ensure that the rate for pensions, pension contributions and purchase of notional service ceased at the appropriate date (retrospectively if necessary) as per the list provided. Any adjustments that are required in relation to pay and pension contribution and benefits should be made accordingly.

Please ensure that this Circular is brought to the attention of all relevant managers in your area of responsibility including those in superannuation and payroll.

## Queries

Queries from individual employees or managers should be referred to local HR/Employee Relations Departments. Please note that the National HR Helpdesk is also available to take queries from employees on 1850 444 925 or [ask.hr@hse.ie](mailto:ask.hr@hse.ie).

Queries from HR/Employee Relations Departments on other aspects of this Circular may be referred to Mary Ruane, Corporate Employee Relations, HR Directorate, 63-64 Adelaide Road, Dublin 2. Tel: 01 6626966, Email: [mary.ruane@hse.ie](mailto:mary.ruane@hse.ie).

Yours sincerely



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**Anne Marie Hoey**  
**National Director of Human Resources**