



Circular 13/2018

19 September 2018

To: Rosarii Mannion, National Director of Human Resources, HSE
CEOs of the NCSAs

Application of 1 October 2018 pay adjustments under the Public Service Pay and Pensions Act 2017

Dear Sir/Madam

I am directed by the Minister for Health to convey the following instructions, following on from the circular which issued on 16 March 2018, with regard to the application of adjustments to health sector pay in accordance with the Public Service Pay and Pensions Act 2017.

1. General

This circular sets out the adjustments due on 1 October 2018 as provided for in the Public Service Pay and Pensions Act 2017 ("the Act").

2 Public Service Stability Agreement (PSSA) 2018 – 2020 pay increase

- 2.1 In accordance with section 7(1) of the Act, the annualised amount of the basic salary of public health sector employees will be increased by **1%** with effect from **1 October 2018**.
- 2.2 Public health sector employees who have not yet achieved full restoration of the pay adjustment under the FEMPI Act 2013 ('the HRA reduction') will have the 1% increase due on 1 October 2018 calculated in accordance with section 18 of the Act. (Part 1, Paragraph 12 of DPER guidance note dated 21 December 2017 attached to DoH Circular 18/2017 refers).
- 2.3 A new set of consolidated salary scales are provided for 1 October 2018 including revised scales for grades to which this circular applies.

3 Pension Related Deduction

There is no change to the thresholds or rates of PRD for the year 2018.

4 Overtime

Payment in respect of overtime rendered on or subsequent to 1 October 2018 by members of grades to which this circular applies should be calculated by reference to the revised pay rates with effect from 1 October 2018.

5 Officers on Mark-Time

For officers on mark-time, both notional and mark-time pay will be revised with effect from 1 October 2018.

6 Premium Rates of Pay

Premium rates of pay payable in respect of or subsequent to 1 October 2018 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 October 2018.

7 Allowances

- 7.1 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 October 2018.
- 7.2 Fixed allowances remain unchanged.

8 Pension Entitlement 'Grace Period'

- 8.1 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.
- 8.2 This 'grace period' is provided for originally under Section 9 of the FEMPI Act 2013, and has been extended to 1 April 2019 by S.I. No. 547 of 2015 - Public Service Pension Rights (No. 2) Order 2015.
- 8.3 The 'grace period' protection in respect of the FEMPI 2013 pay reductions will only continue to apply in respect of public servants with post-HRA remuneration in excess of €110,000, who will not have achieved full restoration of the FEMPI Act 2013 salary adjustment until 1 April 2019.
- 8.4 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 applying to salaries in excess of €65,000.
- 8.5 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.

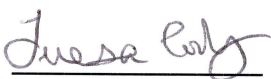
9 Queries

All employee queries should be directed to the relevant employer. Requests for clarification from payroll and hr managers should be directed to National_hr_unit@health.gov.ie

10 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 NCSAs.

Yours sincerely



Teresa Cody
Assistant Secretary

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