P018-013-2018

14 August 2019

To: Government Departments, Public Service Employers, Payroll and Pension Administrators

Circular 19/2019: Further instruction on the pension increase policy in the public service until end-2020

1. I am directed by the Minister for Public Expenditure and Reform:

   A. to refer to the ongoing implementation of the current pension increase policy in respect of pensions awarded under pre-existing public service pension schemes,[1] which was adopted by the Government for the period to end-2020, as set out in paragraph 6.2 of the Public Service Stability Agreement 2018-2020 (PSSA) and sanctioned in DPER Circulars 20/2017 and 02/2018;

   B. to convey sanction for, and give guidance on, the application of the pension increase policy in the small number of cases where pensions are based on notional salary scales that were created on foot of the Government decision of November 1997 regarding pension increases on foot of restructuring pay deals entered into for certain public service groups under the Programme for Competitiveness and Work (PCW); and

   C. to convey sanction for a pension increase with effect from 1 April 2019 to certain qualifying pensions.

   Detailed examples showing the application of the policy in practice can be found in the Appendix. However, provided that the overall parity policy is respected in each case, precise methods of implementation can draw on the normal operational and decision-making role of paying authorities at scheme or payroll level, and the circular should not be seen as encroaching on that role.

   Please note that this circular does not relate to the amelioration of the public service pension reduction (PSPR) which is outlined in DPER Circular 02/2018.

   The following definitions are relevant for this circular:

   - "Pensionable remuneration" means the rate of pay used in calculating a public service pension award, uprated as appropriate by any pay increases post-dating retirement which were passed on to the pension, and including the value of pensionable variable allowances (otherwise known as percentage-of-salary allowances) and pensionable fixed periodic allowances, also uprated as appropriate.

   - "Pensionable salary" means that part of pensionable remuneration which relates to salary and pensionable variable allowances, if any. It differs from pensionable remuneration only in excluding pensionable fixed periodic allowances.

[1] This circular does not apply to pensions paid under the Single Public Service Pension Scheme.

Tithe an Rialtais, Sráid Mhuirfean Uacht, Baile Átha Cliath 2, D02 R583, Éire
Government Buildings, Upper Merrion Street, Dublin 2, D02 R583, Ireland
T +353 1 676 7571 LoCall 1890 66 10 10
www.per.gov.ie

- "In-service salary" means the salary of those still serving in the same grade and at the same scale point as the pension recipient.

A. Continuing implementation of current public service pension increase policy for the period to end-2020

2. In summary the main provisions of the current policy, as agreed by Government, are as follows:

    a) Pay increases to basic salaries in 2016 and 2017, which were legislated for under the Financial Emergency Measures in the Public Interest (FEMPI) Act 2015, and pay increases agreed as part of the Public Service Stability Agreement (PSSA) 2018-2020 and legislated for under the Public Service Pay and Pensions Act 2017, give rise to a pension increase provided that the pensionable salary excluding pensionable variable allowances is lower than the in-service salary after the pay increase.

    b) The FEMPI Act 2015 pay increases were sanctioned to be passed on to 'qualifying pensions' (i.e. those detailed in paragraph a)) with effect from 1 September 2017, while the PSSA pay increases are due on qualifying pensions on the same date as the pay increases to serving staff.

    c) No pension increase is due if the pensionable salary excluding pensionable variable allowances is higher than the corresponding in-service salary after the pay increase.

    d) Where a pension increase is due, it will normally be the same percentage as the basic pay increase; however, if that would result in the pensionable salary excluding pensionable variable allowances being higher than the corresponding in-service salary (after the pay increase), then a lower pension increase will apply, being that which produces a pensionable salary less pensionable variable allowances equal to the corresponding in-service salary.

    e) If, over the period of the PSSA, a pension qualifies to benefit from a particular increase in the series of basic pay increases, then it will qualify to benefit from any and all relevant subsequent increases in that series of basic pay increases.

    f) Where part of the pension is linked to a pensionable fixed periodic allowance the increase should not be applied to that part of the pension.[2]

       Please note that guidance will issue shortly in relation to the application of the pension increase policy where a pensionable fixed periodic allowance has been consolidated into a pay scale since the pensioner retired.

3. A **general** indicator as to which pensions have to date qualified for an increase is whether or not the individual in receipt of the pension retired before or, on or after, 1 March 2012:

[2] Fixed periodic allowances were cut by 5% or 8% in 2010 under section 2(3) of the FEMPI (No. 2) Act 2009; the Public Service Pay and Pensions Act 2017 Act provides that that cut will be reversed on 1 October 2020.

- *Retired pre-March 2012:* the individual retired either before the first round of pay reductions imposed on almost all public servants by the FEMPI legislation (FEMPI (No.2) Act 2009) which took effect on 1 January 2010, or they had their pension benefits protected by the first grace period.[3] The salary on which the individual's pension is based does not reflect any of the FEMPI pay reductions and, for the most part, is still higher than the salary of an individual serving in the same grade and with the same scale point, notwithstanding the recent pay increases that have been awarded to serving staff.

  Accordingly, *in general*, an individual in this category will not to date have qualified for a pension increase. However, this can be expected to change for a large number of retirees over the remainder of the period through to end-2020.

- *Retired from 1 March 2012 onwards:* the individual retired either before the second round of pay reductions under the FEMPI legislation on 1 July 2013 (FEMPI Act 2013), or was not affected by these pay reductions (which applied to public servants on annual remuneration above €65,000), or had their pension benefits protected by the second grace period.[4] The salary on which the individual's pension is based reflects the first round of FEMPI pay reductions and thus would generally be lower than the salary of an individual serving in the same grade and with the same scale point, following the award of recent pay increases to serving staff.

  Accordingly, *in general*, an individual in this category will qualify for a pension increase arising from pay increases to serving staff under the PSSA. Section C below addresses the situation of a specific cohort of pension recipients in this category who had not yet qualified for pension increases and now do so with effect from 1 April 2019.

4. It is important to note that pay restoration measures set out in the FEMPI Act 2015 have been progressing alongside pay increases agreed under the PSSA. This combination of factors has meant that for each new pay increase awarded under the PSSA an increasing cohort of serving staff, beginning with lower paid grades, will see their salaries restored to the pay rates that applied before the first round of FEMPI pay reductions (on 1 January 2010). By extension, ever greater numbers of retirees from the pre-March 2012 cohort will qualify for a pension increase as their pensions are linked to those grades that have achieved pay restoration to pre-FEMPI (i.e. pre-1 January 2010) rates.

5. For pre-March 2012 retirees, the table at paragraph 8 of Circular 02/2018 sets out approximate salary ceilings associated with pensions that are indicative of which pre-March 2012 pensions will qualify for increases over the course of the PSSA. Pre-March 2012 retirees whose pension are associated with salaries of roughly €70,000 or higher will generally not qualify for an increase over the 2018 – 2020 period.

6. Where a pension qualifies for an increase, the two main methods for calculating the amount and applying the increase are outlined below:

[3] The salary rate used to calculate pension awards for those who retired during the first grace period – between 1 January 2010 and 29 February 2012 - ((FEMPI (No.2) Act 2009) discounted the first round of public service pay reductions on 1 January 2010.

[4] The operation of the second grace period – between 1 July 2013 and 1 April 2019 – (FEMPI Act 2013) meant that the salary rate used to calculate the pension awards of those who retired during that period, and whose pay was affected by the second round of pay reductions on 1 July 2013, discounted these reductions.

Method 1 *("multiplier method")* requires finding the difference between the pensionable salary, and the corresponding in-service salary (including in-service pensionable variable allowances, if any) after the pay increase is applied. This amount is expressed as a percentage of the pensionable remuneration. The pension is then increased by this percentage.

Method 2 *("service decimal method")* is predicated on a service decimal having being established when the pension was initially calculated. Where the pension involved a pensionable fixed periodic allowance, two service decimals and pensions would have been established – one for the part of the pension relating to pensionable salary and one for the part of the pension relating to the pensionable fixed allowance. The part of the pension relating to pensionable salary is increased by applying the service decimal related to it to the newly uprated pensionable salary which takes account of the increased in-service salary.

Detailed examples showing the application of the policy under the two methods can be found in the Appendix. However, as mentioned above, provided that the overall parity policy is respected in each case, precise methods of implementation can draw on the normal operational and decision-making role of paying authorities at scheme or payroll level, and the circular should not be seen as encroaching on that role.

B. Application of the pension increase policy with respect to pensions based on notional salary scales maintained after those pensions were increased on foot of agreements reached under the 1997 Programme for Competitiveness and Work (PCW)

7. In the case of certain public service groups, the restructuring pay deals negotiated under the PCW did not involve permanent changes or additions to pay scales which could be passed on to the corresponding pensions of individuals in the relevant grades/scale points, in contrast to what occurred for all other groups. To safeguard the position of these pensions, the Government decided in November 1997 to provide for a "blanket increase" of 3% for those groups of pensions, thereby creating notional salary scales on which such pensions are based and that have been maintained ever since.

8. As set out in paragraph 3, for pre-March 2012 retirees, the salary rates on which their pensions are based do not reflect any of the FEMPI pay reductions and, for the most part, are still higher than the salary rates of individuals serving in the same grade and with the same scale point, notwithstanding the recent pay increases that have been awarded to serving staff. Pre-March 2012 retirees will only qualify for pension increases where a pay increase to corresponding serving staff results in the salary on which their pension is based being lower than the salary of serving staff. Approximate salary ceilings and dates when this occurs are detailed in Circulars 20/2017 and 02/2018 and, as adapted, in the table at paragraph 9 below.

8 Accordingly, as a practical and effective means of implementing the current pension increase policy for pensioner groups in respect of whom notional salary scales are being maintained (as described in paragraph 7), sanction is now given to pass on pay increases over the course of the PSSA to those notional salary scales (and in turn the pensions on

which they are based) at the following rates and with effect from the dates outlined, with the resulting pension increases to be calculated and applied as set out in Section A:

Notional salary on which pension is based	**Apply increase to notional salary to then work out pension increase**	
Up to and including €25,263	01-Sep-17	€1,000
Up to and including €31,500	01-Jan-18	1%
Up to and including €32,700	01-Oct-18	1%
Up to and including €29,900	01-Jan-19	1%
Up to and including €45,500	01-Sep-19	1.75%
Up to and including €31,700	01-Jan-20	0.50%
Up to and including €70,000	01-Oct-20	2%

C. Instruction for pension increase with effect from 1 April 2019 to qualifying pensions - pensioners who retired on or after 1 March 2012 and before 1 April 2019 (i.e. those calculated on the second grace period rate[5]) with a post-Haddington Road Agreement (HRA)/FEMPI Act 2013 remuneration of over €110,000

7. Pensioners who retired on or after 1 March 2012 and before 1 April 2019 and whose post-HRA/FEMPI Act 2013 remuneration was over €110,000 have not yet benefited from any pension increase under the current pension increase policy. This is because despite the fact PSSA pay increases of 1 Jan 2018 and 1 October 2018 were applied to the salaries of all serving staff, the corresponding serving staff still had salary rates that were lower than the salary rates that retirees from this cohort had their pension calculated on (i.e. pre-HRA/FEMPI 2013 rates, as per the second (FEMPI Act 2013) grace period - see footnote 4).

8. However, on 1 April 2019, this cohort of serving staff had their remuneration restored to pre-FEMPI Act 2013 rates.[6] Coupled with the PSSA pay increases of 1 January 2018 and 1 October 2018, their salaries now exceed the FEMPI Act 2013 grace period rate[7]. Accordingly, consistent with the policy of pay parity as set out in Circulars 20/2017 and 02/2018, it has been decided that retirees in this cohort (those who retired on or after 1 March 2012 and before 1 April 2019 with a post-HRA/FEMPI Act 2013 remuneration of over €110,000) should qualify, with effect from 1 April 2019, for a pension increase to bring the salary on which their pension is based into line with in-service salaries.

9. Circular 02/2018 conveys sanction for increases to qualifying pensions on the dates on which pay increases under the PSSA are due. This circular hereby conveys sanction for an increase in pension for the cohort of pension recipients detailed above with effect from 1 April 2019.

[5] See footnote 4
[6] Under FEMPI Act 2015
[7] The 1% pay increases of 1 January 2018 and 1 October 2018 were calculated on pre-FEMPI Act 2013 salary rates

10. An example in the final part of the Appendix referencing Section C illustrates the impact of pay increases and pay restoration for corresponding serving staff (i.e. those with a post HRA/FEMPI Act 2013 remuneration of over €110,000) and the comparison that must be made between their salaries, on the one hand, and the (second grace period rate) salaries on which pensions are based for retirees in this cohort who left service on or after 1 March 2012 and before 1 April 2019, on the other.

11. Please note those that retired from 1 April 2019 in this cohort will have/would have had their pension calculated on the current in-service salary rate and so are not entitled to an increase until the next increase is applied to in-service salaries (i.e. 1 September 2019).

12. Individuals in Pensionable Rate of Pay-affected grades also had their pension entitlements calculated in accordance with the second (FEMPI Act 2013) grace period, which means that the Pensionable Rate of Pay used in their pension calculation does not reflect the HRA/FEMPI Act 2013 reduction to remuneration. However, a notional Pensionable Rate of Pay scale, that has the full FEMPI Act 2013 reduction incorporated into it, has also been maintained as this is the rate pension contributions are calculated on for those still serving in these grades.

13. Similar to those who retired on or after 1 March 2012 and before 1 April 2019 in other grades with a post-HRA/FEMPI Act 2013 remuneration of above €110,000, those who retired in Pensionable Rate of Pay-affected grades on these dates will also be entitled to a pension increase with effect from 1 April 2019. This is because the notional Pensionable Rate of Pay applicable from 1 April 2019 onwards, when combined with previous PSSA increases (that applied equally to the notional Pensionable Rate of Pay as they did to in-service salaries), is higher than the grace period Pensionable Rate of Pay that the pensions of those who retired in this group are calculated on.

14. In each case, the pension increase due will be such that it brings the salary on which the pension is based (i.e. the grace period Pensionable Rate of Pay) up to the now uprated notional Pensionable Rate of Pay. This notional rate, given that the grace period rate has now fallen away, is now the rate used in the pension calculation for prospective retirees from 1 April 2019 onwards. (Note that the need to continue with the Pensionable Rate of Pay will disappear once the salary of serving staff exceeds the pre-FEMPI rates for the grades in question – see this Department's Letter to Personnel Officers dated 11 December 2018, Ref. DPE101/002/2017.)

Queries

15. Queries about the circular may be pursued as follows:

- Public service pensioners should raise queries with their pension-paying authority.
- Public service employers and pension-paying authorities should raise queries with their parent Department.
- Departments should pursue queries to this Department via email to pensions@per.gov.ie

Mise le meas,

Colin Menton
Assistant Secretary
Public Service Pay and Pensions Division
Department of Public Expenditure and Reform

Appendix

Reference in Circular: Section A Continuing implementation of current public service pension increase policy for the period to end-2020

The calculation of the pension increase due on qualifying pensions is shown under both methods ((i) multiplier method and (ii) service decimal method) for three PSSA pay increases:

1. 1.75% increase to all qualifying basic salaries on 1 September 2019
2. 0.5% increase to qualifying basic salaries up to €32,000 on 1 January 2020 and
3. 2% increase to all qualifying basic salaries on 1 October 2020

Note:

- Pensionable remuneration = salary + pensionable variable allowances (otherwise known as percentage-of-salary) allowances + pensionable fixed periodic allowances
- Pensionable salary = salary + pensionable variable allowances
- When there are no pensionable fixed periodic allowances, pensionable remuneration = pensionable salary

(i) Standard example applying the ***multiplier*** method

1. Eligibility for pension increase on foot of 1.75% pay increase to all qualifying basic salaries, which is to be passed on to qualifying pensions on 1 September 2019, as outlined on page 3 of Circular 02/2018		
	Pension	€27,500.00
Step 1	**Check eligibility for increase**	
	Current in-service salary after pay increase	€45,787.50
	Salary on which pension is based	€45,000.00
	Salary on which pension is based is lower, therefore pension is eligible to be increased	
Current position with regards to pension	*Pensionable remuneration on which pension is based*	
	Salary	€45,000.00
	Pensionable variable allowance	€2,250.00
	Pensionable fixed periodic allowance	€7,750.00

		€55,000.00
	Note: example assumes max 40 years' service, and modified PRSI class (pension not integrated with State Pension).	
Step 2	**% increase determination**	
	Difference between in-service salary and salary on which pension based	€787.50
	% increase to salary on which pension based (787.50/45,000)	1.750000%
	Increase in variable allowance = 1.750000% of 2250	€39.38
	Increase to **pensionable remuneration** (787.50+39.38)	€826.88
	Express as % of pensionable remuneration (826.88/55000)	1.503409%
Step 3	**Apply increase to pension**	1.503409%
	New pension	
	101.503409% of €27,500	**€27,913.44**
	Note: (i) The pension increase has been granted only in respect of the salary on which the pension is based and pensionable variable allowances; there is no increase in pension in respect of pensionable fixed periodic allowance. (ii) If the rate of salary on which the pension was based prior to 1 September 2019 had been between €45,000 and €45,787.50, the rate of increase in pension (excluding pension on pensionable fixed periodic allowance) would be less than 1.75%. (iii) The above methodology works by identifying a percentage increase to total pensionable remuneration and applying this to total pension; it would, of course, be equally valid to identify the relevant percentage increase to pensionable salary only and applying this to the part of the pension in respect of pensionable salary, with the resulting pension amount having added to it the (unchanged) pension in respect of the pensionable fixed periodic allowance.	
For recording: new position with regards to pension	*Pensionable remuneration on which pension is based following application of 1.75% pay increase on 1 September 2019*	
	Salary	€45,787.50
	Pensionable variable allowances (39.38+2250)	€2,289.38
	Pensionable fixed periodic allowance	€7,750.00
		€55,826.88

2. Eligibility for pension increase on foot of 0.5% pay increase to qualifying basic salaries up to €32,000, which is to be passed on to qualifying pensions on 1 January 2020, as outlined on page 3 of Circular 02/2018		
	Pension	€27,913.44
Step 1	**Check eligibility for increase**	
	Current in-service salary after pay increase	€45,787.50
	Salary on which pension is based	€45,787.50
	Salary on which pension is based is not lower, therefore pension is not eligible to be increased (pay increase was confined to salaries up to €32,000)	

3. Eligibility for pension increase on foot of 2% pay increase to all qualifying basic salaries, which is to be passed on to qualifying pensions on 1 October 2020, as outlined on page 3 of Circular 02/2018		
	Pension	€27,913.44
Step 1	**Check eligibility for increase**	
	Current in-service salary after pay increase	€46,703.25
	Salary on which pension is based	€45,787.50
	Salary on which pension is based is lower, therefore pension is eligible to be increased	
Step 2	**% increase determination**	
	Difference between in-service salary and salary on which pension based	€915.75
	% increase to salary on which pension based (915.75/45,787.5)	2.000000%
	Increase in pensionable variable allowances = 2.000000% of 2,289.38 (as uprated at time of previous pension increase)	€45.79
	Increase to **pensionable remuneration** (915.75+45.79)	€961.54
	Express as % of pensionable remuneration (961.54/55,826.88)	1.722356%
Step 3	**Apply increase to pension**	1.722356%
	New pension	
	101.722356%*27,913.44	**€28,394.21**

For recording: new position with regards to pension	*Pensionable remuneration on which pension is based following application of 2% pay increase on 1 October 2020*	
	Salary	€46,703.25
	Pensionable variable allowances (45.79+2,289.38)	€2,335.16
	Pensionable fixed periodic allowance	€7,750.00
		€56,788.41

(ii) Standard example applying the ***service decimal*** method

1. Eligibility for pension increase on foot of 1.75% pay increase to all qualifying basic salaries, which is to be passed on to qualifying pensions on 1 September 2019, as outlined on page 3 of Circular 02/2018		
	Total pension	€27,500.00
Step 1	**Check eligibility for increase**	
	Current in-payment salary after pay increase	€45,787.50
	Salary on which pension is based	€45,000.00
	Salary on which pension is based is lower, therefore pension is eligible to be increased	
Current position with regards to pension		
	Pension relating to pensionable salary (including pensionable variable allowances)	€23,625.00
	Pension relating to pensionable fixed periodic allowance	€3,875.00
	Total pension	€27,500.00
	Pensionable salary	
	Salary allowances	€45,000.00
	Pensionable variable allowance	€2,250.00
		€47,250.00

	Pensionable fixed periodic allowance	€7,750.00
	Service decimal relating to pensionable salary *(Pension relating to pensionable salary divided by pensionable salary)*	0.50
	Service decimal relating to pensionable fixed periodic allowance *(Pension relating to pensionable fixed periodic allowance divided by pensionable fixed periodic allowance)*	0.50
	Note that the service decimals are established on the initial calculation of pension. In accordance with the application of 'traditional' pensions pay parity, the service decimals are maintained over time as eligible pay increases are passed on to pension amounts. As before, the example assumes max 40 years' service, and modified PRSI class (pension not integrated with State Pension).	
Step 2	**Establish new pensionable salary**	
	Difference between in-payment salary and salary on which pension based	€787.50
	% increase to salary on which pension based (787.50/45,000)	1.75%
	Increase in pensionable variable allowances	1.75%
	New pensionable salary (101.75%*47250)	€48,076.88
Step 3	**Apply service decimal to new pensionable salary**	
	Pension relating to new pensionable salary (Service decimal relating to pensionable salary * new pensionable salary) = (0.5 * 48,076.88)	€24,038.44
Step 4	**New total pension**	
	Pension relating to new pensionable salary	€24,038.44
	Pension relating to pensionable fixed periodic allowance (unchanged)	€3,875.00
		€27,913.44
For recording: new position with regards to pension	*Pensionable salary on which pension is based following application of 1.75% pay increase on 1 September 2019*	
	Salary	€45,787.50
	Pensionable variable allowance (101.75% of 2250))	€2,289.38
		€48,076.88
	Pensionable fixed periodic allowance remains the same	€7,750.00

2. Eligibility for pension increase on foot of 0.5% pay increase to qualifying basic salaries up to €32,000, which is to be passed on to qualifying pensions on 1 January 2020, as outlined on page 3 of Circular 02/2018		
	Total pension	**€27,913.44**
Step 1	**Check eligibility for increase**	
	Current in-service salary after pay increase	€45,787.50
	Salary on which pension is based	€45,787.50
	Salary on which pension is based is not lower, therefore pension is not eligible to be increased	
3. Eligibility for pension increase on foot of 2% pay increase to all qualifying basic salaries, which is to be passed on to qualifying pensions on 1 October 2020, as outlined on page 3 of Circular 02/2018		
	Total pension	€27,913.44
Step 1	**Check eligibility for increase**	
	Current in-service salary after pay increase	€46,703.25
	Salary on which pension is based	€45,787.50
	Salary on which pension is based is lower, therefore pension is eligible to be increased	
Step 2	**Establish new pensionable salary**	
	Difference between in-service salary and salary on which pension is based (46703.25-45787.50)	€915.75
	% increase to salary on which pension based (915.75/45787.50)	2%
	Increase to pensionable variable allowances	2%
	New pensionable salary (102%*48076.88)	€49,038.41
Step 3	**Apply service decimal to new pensionable salary**	
	Pension relating to new pensionable salary (Service decimal pension relating to pensionable salary*new pensionable salary) = (0.5*49,038.41)	€24,519.21
Step 4	**New total pension**	

	Pension relating to new pensionable salary	€24,519.21
	Pension relating to pensionable fixed periodic allowance (unchanged)	€3,875.00
	Total pension	**€28,394.21**
For recording: new position with regards to pension	*Pensionable salary on which pension is based following application of 2% pay increase on 1 October 2020*	
	Salary	€46,703.25
	Pensionable variable allowance (102% of 2,289.38)	€2,335.16
		€49,038.41
	Pensionable fixed periodic allowance remains the same	€7,750.00

Reference in Circular: Section C Instruction for pension increase on 1 April 2019 to qualifying pensions - in respect of pensioners who retired on or after 1 March 2012 and before 1 April 2019 with a post-Haddington Road Agreement (HRA)/FEMPI Act 2013 remuneration of over €110,000

The table below illustrates the impact of pay increases and pay restoration to salaries of corresponding serving staff (i.e. those with a post HRA/FEMPI Act 2013 remuneration of over €110,000) and the comparison that must be made between their salaries, on the one hand, and the (grace period rate) salaries on which pensions are based for retirees in this cohort who left service on or after 1 March 2012 and before 1 April 2019, on the other. Note: pay increases are calculated on the pre-HRA/FEMPI Act 2013 salary rate.

Example of an individual still serving in this cohort

In-service salary 31st December 2017	**€114,933**
PSSA 1% pay increase due to all salaries 1 January 2018	
Pre-HRA/FEMPI Act 2013 salary (grace period salary)	€120,000
1% pay increase due 1 January 2018: 1% of 120,000	€1,200
In-service salary 1st January 2018 (€114,933 + €1,200)	**€116,133**
FEMPI Act 2015 restoration measure (of FEMPI Act 2013 cut) on 1 April 2018	€2,534
In-service salary 1st April 2018 (€116,133 + €2,534)	**€118,667**
PSSA 1% pay increase due to all salaries 1st October 2018	
Pre-HRA/FEMPI Act 2013 salary with 1% applied on 1 January 2018 (120,000+1,200)	€121,200
1% pay increase due 1 October 2018: 1% of €121,200	€1,212
In-service salary 1st October 2018 (€118,667 + €1,212)	**€119,879**
FEMPI Act 2015 restoration measure (of FEMPI Act 2013 cut) on 1 April 2019	€2,533
In-service salary 1st April 2019, with 3rd restoration and PSSA increases included (€119,879 + €2,533)	**€122,412**

Example of individual from this cohort who retired on or after 1 March 2012 and before 1 April 2019 with same grade and scale point

Salary their pension is based on i.e. grace period rate	**€120,000**
In-service salary **1st January 2018**	€116,133
In-service salary still lower than grace period rate, therefore **no pension increase due**	
In-service salary **1st April 2018**	€118,667
In-service salary still lower than grace period rate, therefore **no pension increase due**	

In-service salary **1st October 2018**	€119,879
In-service salary still lower than grace period rate, therefore **no pension increase due**	
In-service salary **1st April 2019**	**€122,412**
In-service salary now higher than grace period rate, therefore **pension increase due**	

(The resulting pension increase would then be calculated and applied as set out Section A)