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HSE HR Circular 010/2009

30th March, 2009.

Each National Director HSE and Assistant National Director HSE, Each Hospital Network Manager and Local Health Office Manager HSE, Each CEO directly funded Voluntary Hospital/Voluntary Agency.

Implementation of Savings Measures on Public Service Numbers – Moratorium on Recruitment and Promotions in the Public Services

Dear Colleague,

1. Introduction

- 1.1. The Government has declared a moratorium on Recruitment and Promotions in the Public Service with effect from the <u>27th March 2009</u> until the end of 2010.
- 1.2. This moratorium is being applied to the health services with immediate effect and has application across the Health Service Executive and all Voluntary Hospitals and Voluntary Agencies encompassed by the approved employment ceiling of the HSE.

2. Authority to appoint, promote and award acting allowances

- 2.1. Authority to; recruit, appoint, promote or sanction payment of an allowance for the performance of duties at a higher grade is rescinded from this date.
- 2.2. All recruitment activity and recruitment competitions will be placed on immediate hold pending notification of further instructions from this office. This applies to all permanent and non permanent recruitment across the health services irrespectively of whether such recruitment is for new or replacement posts.
- 2.3. The moratorium also applies to promotions and payments of an allowance for the performance of duties at a higher grade.

3. Recruitment in process – Issue of Contracts of Employment

- 3.1. The preparation and issue of contracts of employment in respect of both permanent and non-permanent employment will cease with immediate effect. All recruitment units across the health services will submit to the National Employment Monitoring Unit, HSE, a list of contracts of employment issued to successful candidates where the said contracts have been signed by both employer and prospective employee and for which a start date post 27th March 2009 has been agreed. The list is to be submitted by <u>Friday 3rd April 2009</u>.
- 3.2. Recruitment competitions and the issue of contracts of employment where either the prospective employee has yet to sign the contract or where a start date has not been agreed to will be placed on hold and the candidates duly notified that the health services are not proceeding to appoint at this point in time as a result of the moratorium on recruitment, issued by the Government. A copy of all such notifications should be forwarded to NEMU soonest.
- 3.3. All other recruitment activity will cease with immediate effect.

4. Further instructions

- 4.1. Further instructions will issue from this Office once details of the operationalisation of the moratorium on recruitment and promotion have been fully scoped out.
- 4.2. In the interim, please see two attachments which should provide initial clarification of the implementation of the moratorium.

Queries in relation to this Circular should be directed to Mr Frank O'Leary, Head of the National Employment Monitoring Unit (e-mail <u>Frank.OLeary@hse.ie</u>) phone 045 880454 or Ms Eíbhlín Smith (e-mail <u>Eibhlin.Smith@hse.ie</u>) phone 045 882522, or Mr Paddy Duggan, Recruitment Manager National Policy and Standards (e-mail <u>Paddy.Duggan2@hse.ie</u>) phone 045-882541.

Seán McGrath, National Director of Human Resources.

- Appendices: 1. Extract from Letter to the Secretary General Department of Health and Children from Second Secretary General, Sectoral Policy Division dated 27th March 2009
 - 2. Extract from Questions and Answers Document, Department of Finance, dated 27th March 2009.

Extract from Letter to Secretary General, Department of Health and Children

Mr Michael Scanlan Secretary General, Department of Health & Children

27 March 2009

Implementation of Savings Measures on Public Service Numbers

Dear Mr Scanlan,

1. I refer to the Government Decision S180/20/10/0964C of 3 February and 24 March 2009 arising from the Memoranda for the Government on the above matter.

2. I am to direct that, **with effect from the date of this letter to end 2010**, no public service post, however arising, may be filled by recruitment, promotion, nor payment of an allowance for the performance of duties at a higher grade. Therefore when vacancies arise Departments/agencies etc must reallocate or reorganise work or staff accordingly. Any exceptions to this principle, <u>which will arise in very limited</u> <u>circumstances only</u>, require the prior sanction of the Minister for Finance. The decision also applies to temporary appointments on a fixed-term basis and to the renewal of such contracts.

3. The Minister may sanction the filling of posts through the redeployment of staff of the same or equivalent grade from another Department/Office or public body. Secretaries General and Heads of Office must ensure that their Departments and Offices (and, where relevant, bodies under the aegis of their Department/Office) comply fully and expeditiously with all requests and directions from the Minister for Finance in relation to the redeployment of staff. Arrangements for consultations with staff representatives on redeployment will be the subject of separate correspondence with your Department/Office.

4. From the date of this letter, all existing delegated sanctions in relation to staff numbers, grading, promotions, recruitment and related issues are withdrawn both in relation to your Department/Office and bodies under the aegis of your Department/Office.

5. No offers of appointment, promotion or allowance for the performance of duties of a higher grade may be made from the date of this letter without the approval of the Minister for Finance (any such offer in progress should not proceed without the express approval of this Department). Competitions/promotions currently in progress should not proceed further without the express sanction of this Department.

6. The terms of the Government Decision as set out in this letter apply to the Department of Health and Children and non-commercial state bodies under the aegis of your Department. As regards the wider health sector, the relevant 2009 employment control framework for the Health Sector has been agreed with your Department. Appropriate steps should also be taken to give immediate effect to the implementation of this framework. A copy of your directions to the various bodies under this letter should be forwarded to the relevant Vote Section of this Department.

7. New authorised staffing complements will be determined by Government in the light of any recommendations of the Special Group on Numbers and Public Expenditure, and communicated in due course.

Donal McNally Second Secretary General Sectoral Policy Division

Extract from Questions & Answers Document – Department of Finance - 27 March 2009 -Implementation of Moratorium on Recruitment and Promotions in the Public Service:

Q. Does the Moratorium apply to all areas of the public service?

A: Yes. The recruitment and promotion moratorium will operate in respect of the civil service, local authorities, non-commercial state bodies, the Garda Síochána and the Permanent Defence Forces. The arrangements have been modulated in relation to the education and health sectors to reflect the particular service needs in those sectors.

Q: Why are these restrictions necessary?

A: The public service pay and pensions bill, at some €20 billion per annum, accounts for around 36% of total Government expenditure. Savings in the pay bill must contribute to the overall strategy for correcting the major imbalances in the Exchequer finances.

Q: Isn't this just an embargo – a blunt instrument to reduce numbers employed?

A: No. An embargo would imply that no filling of vacancies whatsoever could take place. The Minister for Finance will have the authority to allow for the filling of some vacancies in very exceptional circumstances. The Government decision also provides that vacancies may be filled by redeployment of staff from other Departments or public bodies with the sanction of the Minister for Finance. In addition, arrangements for the health and education sectors have been modulated to ensure that key services are maintained insofar as possible.

Q: What do you mean by "redeployment"?

A: In the context of the need to achieve significant savings in the cost of providing public services over the next several years, greater flexibility and efficiencies in the allocation of resources is a pressing need. It is intended that these staff will be available to be re-assigned to areas of greater priority, including where there are sudden surges of activity which cannot be adequately met by the existing staff of the Departments/bodies concerned.

Q: How does this moratorium fit into the Government's policy on Transforming Public Services?

A: Policy on numbers employed in the public service will be actively managed in conjunction with the programme of reform and renewal of the public service in line with the implementation of the recommendations of the OECD and the Task Force report. These recommendations envisage the redeployment of staff from activities which are no longer priority to areas of greater need. Programmes of public service reform and renewal will also address legal, technical and historical barriers to movement across the various parts of the public service.

Q: What about recruitment and appointment of temporary or seasonal staff?

A: The moratorium decision also applies to temporary appointments on a fixed-term basis and to the renewal of such contracts. Any exceptions to this principle, <u>which will arise in very limited circumstances only</u>, require the prior sanction of the Minister for Finance. This sanction will only be forthcoming when the Minister is satisfied that the post is essential to the delivery of a public service or performance of an essential function, that every effort has been made to fill the post by redeployment.

Q: What measures will be taken to monitor compliance?

A: The Department of Finance will be contacting Departments and Offices about more detailed arrangements for confirming compliance with the requirements of the Moratorium. If necessary, suitable measures can be incorporated in the Administrative Budget Agreements. As regards the wider public service, the onus is on each Department to monitor implementation in bodies under its aegis. As an initial step each Department is required

to communicate the terms of the Moratorium immediately to all relevant bodies under its aegis and to send a copy to the Department of Finance.

Q: Will the moratorium not result in deterioration in public services?

A: The Government is conscious of the need to protect certain services and this is why it has provided for a degree of flexibility especially in the health and education sectors. The focus of the provision for redeployment is to allow resources to be moved from activities which are no longer priority to areas of greater need.

HEALTH SECTOR

Q: Will the Moratorium apply in the Health Sector?

A: The moratorium will apply in the health sector but there will be flexibility to allow for the continued development of integrated health care, particularly primary and community care, care of the elderly and people with disabilities.

Q: How will this work, what grades will be covered?

A: Based on the 2008 employment outturn and the provision for development posts (225 posts in cancer care and disability services) in the 2009 Budget, the opening 2009 employment control ceiling for the health sector is 111,800.

There will be a general moratorium on recruitment, promotion and acting appointments to all management and administrative grades and all other grades in the health sector, **except for Hospital Consultants, certain other health professionals such as Speech and Language Therapists, Occupational Therapists etc and Emergency Medical Technicians.** Posts in these key grades which become vacant may be filled and a limited number of new posts may be created within the overall numbers ceiling and moratorium policy. There will need to be a reduction in posts in non-priority areas to compensate for any new posts created, and redeployment between institutions and between the hospital and primary, community and continuing care sectors.

Q: What are the numbers employed in the health sector?

	31/12/2004	31/12/2008	% Change
Medical/ Dental	7,013.31	8,109.48	15.63%
Nursing	34,312.96	38,107.92	11.06%
Health and Social Care Professionals	12,829.63	15,979.73	24.55%
Management/ Admin	16,156.68	17,967.47	11.21%
Other Patient and Client Care	14,639.68	18,230.15	24.52%
General Support Staff	13,770.72	12,630.55	-8.28%
Total	98,722.98	111,025.30	12.46%

A: The numbers employed in the health sector are as follows:

In line with the strategic direction of health policy the larger growth in employment has occurred in Other Patient and Client Care, 3,509 or 25%, Health & Social Care Professionals, 3,150 or 25%, Medical/ Dental, 1096 or 16%, and Nursing 3,795 or 11%, while Management/ Administrative Staff grew by 1,810 or 11% and General Support Staff fell by 1,140 or 8%.