An Roinn Caiteachais Phoiblí agus Athchóirithe Department of Public Expenditure and Reform

DPE071/12/13

12 June 2013

Circular 8/2013: Revision of pay of Civil Servants

Application of pay adjustments and related measures in accordance with the Financial Emergency Measure in the Public Interest Act, 2013 and the Haddington Road Agreement.

A Dhuine Uasail

1. I am directed by the Minister for Public Expenditure and Reform to convey the following instructions to Departments in relation to the application to the civil service of adjustments to pay with effect from 1 July 2013 in accordance with the Financial Emergency Measures in the Public Interest Act 2013 (No. 18 of 2013) ("the Act") and the relevant provisions of the Haddington Road Agreement. The Act will be available shortly on <u>www.oireachtas.ie</u>. A detailed Frequently Asked Questions (FAQ) document dealing with the matters addressed in this Circular is also being made available on the Department of Public Expenditure and Reform website (<u>www.per.gov.ie</u>).

Classes affected

2. This circular applies to civil service grades. However, grades whose pay and conditions are appropriate for consideration by the Joint Industrial Council for State industrial employees will be the subject of a second circular.

Adjustments to pay for grades with salaries greater than €65,000 inclusive of allowances in the nature of pay i.e. fixed periodic pensionable allowances

Note: Each subsequent reference to salary or salaries in the circular is to be taken to mean salary or salaries inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances, where a fixed periodic pensionable allowance is an allowance of a fixed amount, which is taxable and pensionable, is not paid in respect of an expense incurred and is not reliant on the type or amount of the work performed at for example, weekend or nights.

3. For the purpose of calculating remuneration for the application of the pay reduction to those in receipt of annualised remuneration of more than \notin 65,000, fixed periodic pensionable

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T: +353 1 676 7571 F: +353 1 678 9936 www.per.gov.ie allowances should be added to basic pay and the appropriate reduction applied, with effect from 1 July 2013, in accordance with the following table:

| Annualised amount of | Reduction |
|------------------------------|-----------|
| Remuneration | |
| Any amount up to €80,000 | 5.5% |
| Any amount over €80,000 but | 8% |
| not over €150,000 | |
| Any amount over €150,000 but | 9% |
| not over €185,000 | |
| Any amount over €185,000 | 10% |

4. These reductions will apply to persons whose salaries are currently above $\in 65,000$, and to persons whose salaries rise above $\in 65,000$ on or after 1 July 2013.

5. The adjustments arising under paragraph 3 should be applied to salary as at 30 June 2013 and should be applied to each point of incremental scales (and to off-scale points) rounding to the nearest euro. Salaries will not reduce below $\in 65,000$ as a result of the application of the Act.

6. The revised pay rates are effective from 1 July 2013 for members of general service grades and certain grades common to two or more Departments, to which this circular applies and are set out in Appendices 1A and 1B to this circular. In the case of established officers appointed on or after 6 April 1995 who are covered by Class A social insurance and who are making an employee contribution in respect of personal superannuation benefits, the revised rates are set out in Appendices 2A and 2B to this circular. Rates for other grades may be obtained from this Department as outlined in paragraph 16.

Increments and related balancing measures

7. Incremental progression will be suspended for 3 years from 1 July 2013 to 30 June 2016 for grades not covered by a collective agreement

8. Where a collective agreement that modifies the terms of incremental suspension is in place and has been registered with the Labour Relations Commission the following arrangements will apply:

8.1 For salaries below €35,000

For those on salaries below \notin 35,000 the increment following the next due will be payable after 15 months rather than 12 months. If the increment interval is longer than 12 months, it will be increased by 3 months.

8.2 For salaries at or above \notin 35,000 and up to \notin 65,000 (inclusive)

If a person's salary reaches \notin 35,000 over the course of the agreement a second incremental freeze of three months will apply, in accordance with the arrangements for those on salaries between \notin 35,000 and \notin 65,000 (paragraph 8.3 below).

<u>8.3</u> For those on salaries between \notin 35,000 and \notin 65,000, each of the two increments following the next due will be payable after 15 months rather than 12 months. If the increment interval is longer than 12 months, it will be increased by 6 months for the next increment.

8.4 For salaries above €65,000

For those on salaries above $\notin 65,000$ up to the maximum of the Principal (Higher) scale or equivalent, each of the two increments following the next due will be payable after 18 months rather than 12 months. Where the increment interval is longer than 12 months, it will be increased by 6 months, for each of the next two increments.

8.5 For salaries above €100,000

For those on salary scales starting over €100,000 incremental progression will be suspended for three years with effect from 1 July 2013.

<u>8.6 For employees on a final incremental point</u>

For those currently on the final incremental point of a salary scale between \notin 35,000 and \notin 65,000, the default option will be a reduction in annual leave of 2 days per year for the three years (6 days in total), apart from grades with annual leave of 23 days or less.

A person may alternatively elect to avail of:

- Unpaid leave in respect of the 6 annual leave days subject to management approval.
- A cash deduction equivalent to half their most recent increment (certain technical issues have arisen, further advice will issue in due course).

Similarly, for those on salaries between \notin 35,000 and \notin 65,000 who reach the maximum of the scale following a 15 month increment period, the default option will be a reduction in annual leave by 1 day per year for the three years (3 days in total).

Overtime

9. Overtime arrangements for those grades covered by a collective agreement are revised in accordance with the Haddington Road Agreement and are as follows:

9.1 For salaries below €35,000

Overtime will be paid at time and a half at the first point of the appropriate scale for those on salaries below \notin 35,000. If this would result in overtime being paid at less than time at any point on the scale then it will be calculated as set out in the following provision (9.2).

9.2 For salaries at or above €35,000,

Overtime will be paid at the rate of time and a quarter at the individual's scale point for those on salaries at or above \notin 35,000.

9.3 In addition:

- Divisors for the calculation of overtime will be adjusted to take account of the additional hours provided for in the agreement.
- For those grades currently with a working week of 39 hours or more (net of rest breaks), an hour of overtime worked each week will be unpaid until 31 March 2014.

9.4 <u>Separate arrangements will apply for grades not covered by a collective agreement.</u>

Officers on Mark-Time

10. For officers on mark-time, both notional and mark time pay will be revised with effect from 1 July 2013.

Pensions

11. An officer who retires on or before 31 August 2014 will have his or her superannuation benefits calculated by reference to the scales applying on 30 June 2013. This includes officers who retire in the normal way on age grounds, those retiring on health grounds or under Cost Neutral Early Retirement. It also applies in the case of a preserved benefit coming into payment prior to 1 September 2014.

12. An officer who retires on or before 31 August 2014 on a pension greater than \in 32,500 will be subject, from 1 July 2013 to the "Public Service Pension Reduction (PSPR)", as provided for in the Financial Emergency Measures in the Public Interest Act 2010, as amended by section 5 of the Financial Emergency Measures in the Public Interest Act 2013. Further guidance on the PSPR provisions in the 2013 Act will be available from the Department of Public Expenditure and Reform.

Application of the Financial Emergency Measures in the Public Interest Act 2010

13. Deputy Secretaries and Assistant Secretaries whose salaries were exempted from the full application of the Financial Emergency Measures in the Public Interest (No. 2) Act 2009 are advised that this exemption does <u>not</u> apply for the purpose of calculating pension

entitlement which, from 29th February 2012, is based on the full application of the No. 2 Act 2009. This is provided for under section 9 of the Financial Emergency Measures in the Public Interest Act 2010.

14. The revised rates of pay for the purpose of calculating Deputy and Assistant Secretary pension benefits, from 1 July 2013 are as follows:-

Deputy Secretary

| Non PPC | €145,679 |
|---------------------|----------|
| PPC | €153,162 |
| Assistant Secretary | |

| Non PPC | €113,511 - €118,581 - €124,072 - €129,563 |
|---------|---|
| PPC | €119,381 - €124,716 - €130,497 - €136,276 |

Note. The rates quoted will not apply to officers who retire before 31 August 2014

<u>General</u>

15. Individual queries in relation to pay should be raised in the first place with an officer's Personnel Unit or where appropriate PeoplePoint.

16. Any difficulties that may arise from the application of this circular should be raised, by e-mail in the first instance, with this Department (email address: <u>payscales@finance.gov.ie</u>). Where this is not possible, telephone queries may be raised with this Department (Tel. (01) 6045409 or 6045413. Superannuation queries should be directed to Tel. (01) 6045405.

Electronic Copies of Circular

17. This circular is also available on the Department's web-site at http://www.per.gov.ie.

Is mise le meas,

Paul Reid Assistant Secretary

APPENDIX 1A

Pay scales are revised for the following grades with effect from 1 July 2013

SECRETARY GENERAL I

€185,350

SECRETARY GENERAL II

€176,350

SECRETARY GENERAL III

€167,300

DEPUTY SECRETARY¹

€153,650

ASSISTANT SECRETARY¹

€119,572 €124,917 €130,706 €136,496

PRINCIPAL (HIGHER)

PRINCIPAL

€75,647 €78,670 €81,676 €84,706 €87,258 €89,906^A €92,550^B

ASSISTANT PRINCIPAL (HIGHER)

€65,000 €66,531 €68,893 €71,244 €73,600 €74,973 €77,275^A €79,552^B

ASSISTANT PRINCIPAL

€61,966 €64,257 €65,000 €65,000 €67,074 €68,293 €70,416^A €72,546^B

- A. After 3 years satisfactory service at the maximum
- B. After 6 years satisfactory service at the maximum

^{1.} See paragraphs 13 and 14 regarding pensionable salary for the purposes of calculating Deputy and Assistant Secretary pension benefit

APPENDIX 1B

Pay scales are revised for the following grades common to two or more Departments with effect from 1 July 2013

ENGINEER GRADE I AND PROFESSIONAL ACCOUNTANT GRADE I

€65,000 €65,000 €65,389 €67,255 €69,113 €71,325 €73,848^A €76,349^B

ENGINEER GRADE II AND PROFESSIONAL ACCOUNTANT GRADE II

€55,863 €57,165 €58,456 €59,757 €61,054 €62,351 €63,644 €64,956 €65,000^A €65,330^B

STATE SOLICITOR AND PROSECUTION SOLICITOR

€31,928 €34,762 €38,376 €41,139 €43,888 €46,657 €49,416 €52,159

€61,966 €64,257 €65,000 €65,000 €67,074 €68,293 €70,416^A €72,546^B

CHIEF SUPERINTENDENT MAPPING

€45,000 €47,983 €50,171 €52,356 €54,541 €56,722 €58,914 €61,104

€63,030 €64,956 €65,000^A €65,330^B

SENIOR ARCHITECT

€59,719 €62,856 €65,000 €65,219 €68,097 €71,325 €73,848^A €76,349^B

A. After 3 years satisfactory service at the maximum

B. After 6 years satisfactory service at the maximum

APPENDIX 2A

Pay scales are revised for established officers appointed on or after the 6th April 1995 paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits for the following grades with effect from 1 July 2013

SECRETARY GENERAL I

€185,350

SECRETARY GENERAL II

€185,350

SECRETARY GENERAL III

€175,877

DEPUTY SECRETARY¹

€161,552

ASSISTANT SECRETARY¹

€125,761 €131,385 €137,481 €143,535

PRINCIPAL (HIGHER)

€85,127 €88,454 €91,798 €95,135 €97,981 €100,977^A €103,976^B

PRINCIPAL

 ϵ 79,401 ϵ 82,587 ϵ 85,750 ϵ 88,936 ϵ 91,624 ϵ 94,410^A ϵ 97,194^B

ASSISTANT PRINCIPAL (HIGHER)

€67,434 €69,910 €72,391 €74,870 €77,304 €78,714 €81,109^A €83,510^B

ASSISTANT PRINCIPAL

€65,000 €65,000 €66,040 €68,262 €70,479 €71,758 €73,995^A €76,224^B

- A. After 3 years satisfactory service at the maximum
- B. After 6 years satisfactory service at the maximum

^{1.} See paragraphs 13 and 14 regarding pensionable salary for the purposes of calculating Deputy and Assistant Secretary pension benefit

APPENDIX 2B

Pay scales are revised for the following grades common to two or more Departments for established officers appointed on or after the 6th April 1995 paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits with effect from 1 July 2013

ENGINEER GRADE I AND PROFESSIONAL ACCOUNTANT GRADE I

€65,000 €66,742 €68,707 €70,668 €72,626 €74,956 €77,556^A €80,140^B

ENGINEER GRADE II AND PROFESSIONAL ACCOUNTANT GRADE II

€58,765 €60,132 €61,494 €62,862 €64,227 €65,000 €65,000 €66,573^A €68,647^B

STATE SOLICITOR AND PROSECUTION SOLICITOR

€33,576 €36,550 €40,356 €43,263 €46,158 €49,070 €51,975 €54,865 €65,000 €65,000 €66,040 €68,262 €70,479 €71,758 €73,995^A €76,224^B

CHIEF SUPERINTENDENT MAPPING

€48,165 €50,469 €52,773 €55,070 €57,374 €59,671 €61,973 €64,280 €65,000 €65,000 €66,573^A €68,647^B

SENIOR ARCHITECT

€62,832 €65,000 €65,500 €68,524 €71,556 €74,956 €77,556^A €80,140^B

A. After 3 years satisfactory service at the maximum

B. After 6 years satisfactory service at the maximum