**Reference No:** E109/35/01; **Date:** 01/08/2003

01/08/2003 LP:- Contract EO, AO and Third Secretaries pay while on secondment

E109/35/01

1 August 2003

To all Personnel Officer

Re: Contract EO, AO and Third Secretaries - pay while on secondment

Dear Personnel Officer,

I refer to the arrangements governing officers appointed from open competitions run by the Civil Service Commission for the positions of Executive Officer, Administrative Officer and Third Secretary set out in the attachments to this Department's minute of 22 July 1998. These arrangements were discussed at a meeting held in this Department on 31 July 2003.

Appendix VII to that minute sets out the secondment arrangements which apply to new appointees who are already serving in an established capacity in the civil service and who are paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits (i.e. staff on the 20/19 scale). A number of cases have arisen whereby serving civil servants to whom the terms of Appendix VII apply have found that they are worse off in the initial year of their assignment to the higher grade when they would have been due to be awarded an increment in the lower grade had they not accepted appointment to the EO, AO or Third Secretary grades.

In order to address this issue, it has been agreed with the PSEU that where the pay due to an officer on his/her incremental date in the lower grade is higher than the amount the officer is being paid on the EO, AO or Third Secretary pay scale on that date, the officer should be paid the scale point on the lower grade s/he would have received had s/he not been appointed to the EO, AO or Third Secretary grade.

On the first anniversary of the officer's assignment to the EO, AO or Third Secretary grade, assuming satisfactory service, the officer should then be placed on the relevant point of those scales applicable to officers paying the Class A rate of PRSI and making an employee contribution in respect of personal superannuation benefits. Where this point is still less than the amount the officer received on his incremental date in respect of his/her former grade, s/he may retain the higher amount until it is exceeded by the officer's pay in the higher grade.

A revised Appendix VII to this Department's minute of 22 July 1998, to reflect the foregoing changes, is attached for your attention.

Yours sincerely,
Ken Spratt
Personnel and Remuneration Division

## **Appendix VII**

Secondment arrangements for new appointees who are already serving in an established capacity in the civil service and who are paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits.

## Pay on assignment to the higher grade.

Serving civil servants assigned to a higher grade from an open competition normally receive the more favourable of (i) minimum of the pay scale for the higher grade or (ii) existing pay plus accrued increment, if any, on the date of assignment. Where the latter option is the more favourable, the amount involved is usually an "off-scale point" on the scale for the higher grade and the officer is subsequently brought on scale in accordance with the normal rules.

## Pay, PRSI and superannuation arrangements to apply to serving civil servants.

- (i) Serving officers will retain their established status and accordingly will be allowed to retain their existing pay in the lower grade, plus accrued increment, if any, on the date of assignment to the higher grade. PRSI and superannuation deductions should continue to be made as normal from this element of the officer's salary.
- (ii) Where the officer's actual pay on assignment to the higher grade is existing pay in the lower grade plus accrued increment, if any, the officer's "going on scale" date should be calculated using the pay scale for the higher grade applicable to staff who are paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits (i.e. the 20/19 scale). However, on the "going on scale" date thus calculated, the officer should be placed on the relevant point of the higher scale **applicable to staff covered by modified PRSI** (i.e. the 19/19 scale).
- (iii) PRSI and superannuation deductions will continue to be made as normal on the "going on scale" date in respect of that portion of the officer's salary identified at (i) above. PRSI at the Class A Rate should also be deducted from the balance of the officer's salary. However, no superannuation deductions should be made from this balance of salary, other than a deduction of 1.5% in respect of the spouses' and children's scheme.
- (iv) Where the officer goes onto the minimum of the higher scale on the date of assignment:
- (a) the minimum point will be the minimum of the scale applicable to staff covered by modified PRSI (i.e. it will **not** be the 20/19 scale), and

- (b) the arrangements set out at (iii) above will apply in respect of PRSI and superannuation deductions.
- (v) The officer may retain his/her pay in the lower grade, plus accrued increment, if any, if it is higher than the pay applicable to the officer on the "going on scale" date, or the minimum of the higher scale (i.e. the amounts referred to at (ii) and (iv) above respectively which are on the scale applicable to staff paying modified PRSI).
- (vi) Given that the officer would have been due to receive an increment on the lower scale had s/he not been appointed to the EO/AO or Third Secretary grade, s/he may be paid the scale point involved (i.e. the point on the 20/19 scale for the officer's former grade) if this is more favourable than the amount the officer is actually in receipt of on that date. The relevant scale point on the officer's former grade should also continue to be paid on the first anniversary of assignment to the higher grade if this is more favourable than the amount the officer is due to receive on the higher grade on that date. The officer should retain the higher amount until the relevant point on the 20/19 scale for the EO/AO or 3rd Secretary scale exceeds the officer's pay on the first anniversary of his/her appointment to the higher grade.
- (vii) Where an officer is offered an established position in the higher grade following his/her one year contract period s/he will go onto the appropriate point of the 20/19 scale. The incremental date arising from the officer's appointment to the higher grade (either the date of the initial assignment to the higher grade or the "going on scale" date calculated in accordance with normal arrangements) will be retained.