Dear Colleagues

1. Context

The Public Service Stability Agreement (Haddington Road Agreement or HRA) identified the need to retain graduates of Irish Medical Schools within the public health system and attract graduates of these schools working abroad back to Ireland. The work of the Strategic Review of Medical Training and Career Structure - established by the Minister for Health to make high level recommendations relating to training and career pathways for doctors with a view towards improving graduate retention in the public health system, planning for future service needs and realising maximum benefit from investment in medical education and training - is particularly relevant to full implementation of this objective.

Specifically in relation to the HRA objective of graduate retention, the MacCraith Group’s Second Report provides in its Recommendations that;

“the relevant parties commence, as a matter of urgency, a focused, timetabled IR engagement of short duration to address the barrier caused by the variation in rates of remuneration between new entrant Consultants and their established peers that have emerged since 2012. It further recommends that the relevant parties explore options, within existing contractual arrangements, to advance a more differentiated Consultant career structure as outlined in Section 5.3 (i.e. clinical service provision, clinical leadership and Health Service Management, clinical research, academic, quality improvement and other roles).”
The Report identified the Labour Relations Commission (LRC) as the appropriate body to facilitate engagement on this Recommendation.

Arising from the above, the IMO and the HSE/Department of Health/Department of Public Expenditure and Reform entered an intensive period of negotiation under the auspices of the LRC.

On 7th January 2015 the LRC issued final proposals. These were accepted by health service management immediately and by the IMO following a ballot on 28th January 2015.

2. Sanction from Minister for Health

The Minister for Health has sanctioned the application of the LRC proposals including related salary and B and C Factor rates. The proposals together with the related Department of Health Circular No.2 of 2015 (which includes the sanctioned salary rates) are attached.

3. Application

a) The revised salary scales should be applied with effect from 1st September 2014 as follows:

i. To any Consultant employed in a permanent or non-permanent Consultant post as of 1st September 2014 or at any date since then who is subject to the Department of Health’s 1st October 2012 Consultant salary scale;

ii. The revised salary and B and C Factor allowance rates apply to all Consultant posts where the interview took place on or after 1st October 2012.

iii. Those Consultants who have been appointed to a Consultant post but have not yet taken up duty should be paid at the relevant new rate from the day they take up duty;

iv. All Consultant posts should be advertised with reference to the revised salary scales.

b) Incremental Credit

i. Incremental credit may be applied to any Consultant eligible for the new salary scale as set out in the LRC proposals dated 7th January 2015 and the attached document entitled ‘Incremental Credit Framework – draft of 24th March 15’.

ii. The LRC proposals state that: “The Commission is of the view that relevant service post-certification of satisfactory completion of specialist training (CSCST) and qualifications pre and post (CSCST) shall be considered for the purposes of placement on a revised pay scale”. Taking that into account, the ‘Incremental Credit Framework – draft of 24th March 15’ document provides for: application of incremental credit on appointment in relation to relevant:

- service post-certification of satisfactory completion of specialist training (CSCST)
- qualifications obtained prior to acquisition of CSCST
- qualifications obtained post CSCST.

Service is included whether the Consultant worked on a full, or part time basis.
iii. The LRC proposals dated 7th January 2015 state that on entry, Consultants may benefit from incremental credit up the 6th point of the salary scale.

iv. Employers should ensure that this is brought to the attention of prospective candidates for Consultant posts during the recruitment process. The proposals note that in exceptional circumstances, application may be made for entry above the 6th point in accordance with normal procedures. This entails an application by the employer to the Department of Health and thereafter by the Department of Health to the Department of Public Expenditure and Reform.

v. The effective date for application of incremental credit is 28th January 2015. Employees appointed prior to this date that were appointed to the Department of Health 1st October 2012 pay scales will have their pay adjusted with effect from the 1st September 2014, back-pay to the 1st of September 2014 will be paid where it falls due and they will be placed on the relevant point of the scale.

vi. In the interests of clarity, Consultants appointed after the 28th January 2015 will have their pay adjusted from the date of their actual commencement of employment and they will be placed on the relevant point of the scale based on Sections 3, 4 and 5 of the Incremental Credit Framework document.

vii. Partial experience of less than a year will be recognised by the application of an earlier increment date.

viii. The Public Service Stability Agreement 2013-16 (Haddington Road Agreement or HRA) provides that once appointed and placed at the appropriate point of the salary scale, employees paid in excess of €100,000 per annum (including Consultants) do not progress to the next point on the incremental scale. This means that after placement on the relevant point of the salary scale, the Consultant will not progress to the next point until the HRA expires in July 2016 or is renegotiated. Negotiations on a replacement to the HRA commenced on 12th May 2015.

c) Confirmation of acceptance of the Public Service Stability Agreement 2013-16 (HRA)

i. As set out in the attached circular, the Department of Health has explicitly requested that the revised scales are implemented only where confirmation is obtained that the Consultant accepts the provisions of the Public Service Stability Agreement 2013-16 (Haddington Road Agreement or HRA).

ii. Taking the above into account, each Consultant currently in employment eligible for the revised salary scale should be issued with the attached communication entitled ‘confirmation of eligibility for application of new Consultant pay and career structure. Consultants who do not provide written confirmation of eligibility should in no circumstances be paid under the revised scales.

iii. Consultants who have not yet taken up a post are understood to have confirmed acceptance of the HRA by accepting a contract of employment.
d) Related issues described in Section B of the LRC proposals of 7th January 2015

i. The issues described in Section B of the LRC proposals of 7th January 2015 will be the subject of separate communication.

ii. In the interim period, the ‘Head of Department’ rate may be applied to those Consultants appointed to ‘Associate Clinical Director’ or commensurate roles.

4. Queries

Any queries in relation to application of incremental credit should be addressed to National Doctors Training and Planning, email: doctors@hse.ie Queries relating to other aspects of the circular should be addressed to email: nationalhr@hse.ie

Yours sincerely

[Signature]

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