

REPORT OF THE INDEPENDENT HOURS BODY

JANUARY **2022**

Table of Contents

Ch	airman's Foreword	4
Ex	ecutive Summary	£
Re	commendations and Conclusions	8
	Return of Hours	9
	Further Considerations	10
	Conclusion	10
1.	Introduction	11
	1.1 Building Momentum	11
	1.2 Submissions made to the Body	12
	1.3 Items not within the Independent Body's Terms of Reference	13
2.	Methodology	14
	2.1 Previous estimates of the volume and replacement cost of the HRA hours	14
	2.2 Methodology used by the Body to quantify and cost the HRA hours	15
	2.3 Independent Verification Analysis	16
3.	Summary of the implications of the Independent Body's recommendation for working time in the Public Service	17
	3.1 Sectoral costings arising from the Independent Body's recommendation	18
4.	Overview of the additional hours worked by public servants under the Haddington Road Agreement (HRA)	
	4.1 Background	
	4.2 Haddington Road Agreement (2013–2016)	22
	4.3 The evolution of working time in the public service	23
	4.4 The evolution of public service numbers	24
5.	COVID-19 and the impact on the workplace	25
	5.1 Scale of public service delivery during COVID-19	26
	5.2 Innovation and productivity during COVID-19	28
	5.3 The benefits of digitalisation during COVID-19	29
	5.4 Blended and Remote Working Practices	29
6.	Sectoral Reviews	31
	6.1 Health	31
	6.2 Civil Service	43
	6.3 Local Authorities	48
	6.4 Education	52
	6.5 Higher Education	57
	6.6 An Garda Síochána	61
	6.7 Tusla	64
A	nandiv	67

Chairman's Foreword



Kieran Mulvey, Chairman, The Independent Hours Body

It is important to contextualize the work of the Independent Body within the background which led to all public servants undergoing increased hours in their working week or by increases in the annualised days worked in particular sectors.

We have come a long way from the fiscal crisis of 2009/10 and the imposition from November 2010 of the stabilisation measures agreed under the IMF/EU bailout programme. 2009 saw unilateral cuts imposed on all public salaries/pensions by the then Government, and which on average amounted to approximately 14%. This led to a national one day strike by all public servants with the prospect emerging of further sectoral strikes.

Subsequent negotiations between public service unions, under the aegis of the Public Services Committee of the ICTU and the Government its Departments and State Agencies, from the initial Croke Park Agreement, have led to a succession of Agreements and which have brought an orderly arrangement to the determination of pay, pensions, working hours and reforms to the provision of all state services.

These successful negotiations and agreements, chaired by the LRC/WRC, have brought immense stability to the public finances and have reinforced the effectiveness of collective bargaining in the Public Sector.

These achievements should not be underestimated.

The Haddington Road Agreement was difficult to achieve and succeeded only after the initial proposals were rejected and a further round of engagement brought the parties to agreement. The core issue was the extended working hours for public servants, and particularly for staff in the healthcare sector.

During our deliberations as an Independent Body, we were cognisant of the current pandemic situation and the unprecedented demands which faced all workforces throughout the economy. Daily and weekly we were reminded of the pressures and strains being faced in all of our public services and the extraordinary measures required to meet new challenges and to adapt to new work practices and the implementation of Government policy to protect our citizens and their livelihoods.

The members of the Independent Body interrogated and assessed the submissions we received and had, with the benefit of our Secretariat, up to date information on all aspects of our work.

After lengthy consideration and some robust exchanges on possible scenarios to provide recommendations within our broad terms of reference, the Independent Body decided unanimously on the Recommendations/Conclusions reached in this Report.

We also decided to forward these at an early stage to the Minister for Public Expenditure and Reform so that the Government would have ample time to consider the Recommendations and discuss them with the Public Service Committee of the ICTU within the relevant terms of "Building Momentum".

This was particularly necessary as our Recommendations exceeded the financial envelope provided and agreed between the parties under Building Momentum, but on which we had differing cost estimates regarding the timing of the date(s) for the restoration of hours across all sectors and obligation to ensure equity in application. As we state in our Recommendations we believe that the estimated cost in 2022 will be mitigated by the consideration of those Recommendations in their totality.

I wish also to acknowledge the dedicated and committed work of my colleagues on the Body and whose expertise and knowledge were invaluable in this major task.

On a personal level I wish to commend the Secretariat, Anna Cremins, Keith Fitzgerald, Karen Murphy, Frank Newman, Hannah Stewart led by Beverley Sherwood, who epitomise all that is great about our Civil Service. They were efficient, innovative, diligent and extremely hardworking.

Kieran Mulvey, Chairman.

Executive Summary



This report was prepared by the Independent Body that was established to examine issues arising in addressing the additional working hours for public servants set out under the Haddington Road Agreement (hereafter "the HRA"). The Independent Body was established in April 2021, as agreed by the parties to the Building Momentum Agreement 2021-2022.

The Independent Body was tasked with bringing forward recommendations regarding the HRA hours before the end of 2021. These recommendations are contained within this report, and follow months of engagement between members of the Body and both management and staff representatives throughout Government departments, the HSE and State Bodies.

During this time, the Body met with key stakeholders and carried out a detailed scrutiny and analysis of submissions received, examining the potential operational and administrative implications of any reduction in working time for public servants, as well as the impact of the HRA hours on the broad staffing experience of the public service.

The Body's deliberations were informed by both a quantitative and qualitative assessment of the potential impact of a reduction in working time across the public service. Fundamental to these deliberations, was the potential impact on the delivery of quality services to the public, as well as the financial impact arising from the need to replace lost working time.

In preparing this report, the Body analysed the fiscal implications of a range of scenarios, in the context of the budgetary envelope of €150 million provided for under the terms of Building Momentum, to implement the Body's recommendations during 2022.

In arriving at the recommendations contained in this report, the Independent Body was also guided by Section 4 of the Building Momentum Agreement, which stipulates that the additional working hours introduced under the HRA are considered "outstanding matters to be resolved".

The Independent Body is of the view that, the longevity of the additional hours being worked, the strain on staff who are working those hours and the truly committed efforts of staff during the last two years in particular, has to be acknowledged.

Among the evidence heard by the Body regarding the impact of the additional working time on the experience of staff, was the disproportionate effect on female members of the public service, many of whom have caring responsibilities.

Over the last two years, the COVID-19 pandemic created an unprecedented challenge for public service organisations delivering key services to their customers. Healthcare staff in particular were at the forefront of the public service response to COVID-19, including those providing care in hospitals and to the medically vulnerable in other settings.

It is the opinion of the Independent Body that the role of healthcare staff in the totality of our healthcare system can best be recognised by restoring the HRA hours at the earliest possible date. The principles of equity and fairness, enshrined in the Independent Body's Terms of Reference, requires that this decision be applied across all grades and sectors, and at the same time.

It is clear that the HRA hours were used in various ways across the sectors to enhance services. However, the speed and flexibility of the public service response to COVID-19 gives confidence that the restoration of previous working hours will not hinder public servants in maintaining service levels.

Apart from the response to COVID-19, the various sectoral reviews make clear the range of structural and operational reforms which have been ongoing in many parts of the public service. While the HRA hours are likely to have helped facilitate these measures, the Independent Body believes structural and operational reforms will continue long after the restoration of hours.

As the Terms of Reference of the Independent Body require an equitable application of any recommendations, the Independent Body is recommending that:

- HRA hours implemented in 2013 will be restored in the majority of Civil and Public Service employments with effect from July 1st 2022; and,
- Working hours for any grade will not be less than the level that applied prior to the HRA, in this regard a minimum floor of 35 hours per week will apply.

Recommendations and Conclusions



The Independent Body, in its deliberations over several plenary sessions, reviewed the key elements of the submissions made by the parties which addressed the cost implications of the proposals, the staffing issues arising and the difficulties, and in some sectors, of accessing the availability of key personnel.

The longevity of the additional hours being worked, the strain on those staff working those hours and the truly committed efforts of staff during the last two years in meeting patient, healthcare, population vaccine, security needs and the requirements of delivery for existing and new social welfare and pandemic payment measures has to be acknowledged. The Independent Body has to take into consideration the current working environment and the human pressures on those striving to address these challenges on a daily basis and in extremely trying circumstances.

The Independent Body is of the view that the role of healthcare staff in the totality of our healthcare system can best be recognised by restoring the HRA hours at the earliest possible date. This decision will also help towards making the task of recruitment in key frontline grades more attractive. Equity and fairness requires the Independent Body decision to be applied across all grades and sectors at the same time.

The Independent Body is conscious of the fact that the date recommended below will be the final date on which all FEMPI measures will have ceased and will constitute the 9th anniversary of the introduction of all Haddington Road extended working hours and for which no compensatory financial measures were sought, considered or introduced.

Whereas the financial envelope of €150m will be exceeded by our Recommendation, any further delay in restoring the hours would have caused a severe and negative reaction from the public service unions. Under our own cost modelling projections our recommendations involve the order of a potential €30m additional cost. We are of the view that some other cost considerations will have cost benefits to the Exchequer and our public finances and will potentially mitigate these costs.

The Independent Body undertook its deliberations during a period of disruption in workplaces that was unprecedented in terms of scale and longevity.

The Independent Body is cognisant that current employment patterns and practices continue to be fluid as most non frontline public services are operating through a combination of office attendance, remote working and/or online activity during these tumultuous times.

Frontline services in Health, Policing and Security, Education and Emergency services continue to operate under unprecedented conditions.

Considerable detail has been provided to the Independent Body of the totality of the commitment made by those employed in the civil and public service not just throughout this period but since the economic crisis of 2008 including reductions in pay, increased pension contributions, increase in working hours and the moratorium on staff appointments.

Return of Hours

Paragraph 4.2.1 of Building Momentum, and the Terms of Reference of the Independent Body, states that the Independent Body can make recommendations which enable commencement of such recommendations during 2022. The Independent Body is also aware of the agreement between the parties to Building Momentum that on the publication of the report an envelope of €150m will be made available, under this Agreement, across all affected grades, groups, categories, and sectors.

Furthermore paragraph 4.2.2. of Building Momentum and the Terms of Reference of the Independent Body, provide for the roll out of the Body's recommendations to be initiated within the lifetime of the Agreement.

The options available to the Independent Body were to recommend a continuation of the additional hours for a further period in 2022 and 2023 or to restore the hours in a manner which would cause the least operational disruption which would arise by having to adjust rosters and hours twice over a relativity short period of time.

In light of the above considerations, the Independent Body is also cognisant of:

- The need to provide services that meet the needs and service level expectations of the public;
- The accelerated and continued impact of technology on service delivery and the future of organisation of work, beyond Covid, and the imperative to provide further online services to the public for Government services;
- Emerging practice in terms of managing employee engagement, health and wellbeing and productivity;
- · Cost considerations; and
- The strain and demands upon individual staff in frontline services over the last two years.

The additional hours have been in place since July 1st, 2013 and have undoubtedly contributed significantly to the national effort to recover from the global crisis of the last decade. They have also been of considerable value to the increased productivity and new service delivery reforms which have been achieved throughout our public services during a period when recruitment restrictions were in place.

As the Terms of Reference of the Independent Body require an equitable application of any recommendations, the Independent Body is recommending that:

- HRA hours implemented in 2013 will be restored in all civil and public service employments with effect from July 1st 2022, with the exception of those cohorts listed and,
- Working hours for any grade will not be less than the level that applied prior to the HRA, in this regard a minimum floor of 35 hours per week will apply.

The Independent Body assessment suggests that the cost of implementing the recommendations will exceed the €150m but is satisfied that any excess can be mitigated/adjusted by the fact that:

- A standardised minimum working week of 35 hours will now be in place across the Civil and public service and which removes employment hour variables in the system.
- Replacement costs will not arise in all cases or sectors, but particularly in the case of posts at managerial level where both management and unions agree that this cohort of staff work in excess of contract hours, often during unsocial hours and without compensatory payment.
- The Independent Body recommends that both Government and the PSC/ICTU agree that no compensatory claims will be pursued or conceded in respect of any grade arising from the implementation of the recommendation to restore the HRA hours.
- In the absence of any detailed submissions from either party, the Independent Body is of the view that the "overtime divisor" should be a matter for further direct discussions between the parties.

Further Considerations

Academic Grades

 The Independent Body is of the opinion that no recommendation regarding working/contract hours involving Academic Grades is appropriate at this stage given that this sector is currently under review by both the OECD and the Department of Further and Higher Education, Research, Innovation and Science and which may lead to new contractual arrangements for academic staff.

Hospital Consultants

 As negotiations are underway on a new Hospital Consultant contract the Independent Body expects that any specific working hours arrangements will be dealt with in these negotiations.

Primary and Post Primary Teachers

 The Independent Body is cognisant that both primary and post primary teachers are paid an additional allowance which is built into their salary and pension arrangements for performing supervision and substitution duties and sees no basis to adjust this agreed arrangement arrived at under previous Agreements.

Conclusion

These recommendations effectively conclude any further negotiations to restore pay and other conditions of employment, either imposed by a combination of FEMPI legislative enactments, or agreed through a difficult series of overarching Public Service Agreements addressing pay, pensions, working hours and public service modernisation requirements over the last decade.

This orderly return to the public finances has been achieved without any serious disruption to services, a continued commitment to industrial peace, and adherence to the processes surrounding collective bargaining. These achievements should not be underestimated.

The Independent Body recognised that, on balance, a partial or incremental approach towards implementing the restoration of working hours could cause unnecessary and unavoidable operational and organisational challenges. In addition, it would potentially lead to a negative employee reaction, given the circumstances outlined above, particularly if there was any continued uncertainty and a need for further negotiations on a final decision on the restoration of the HRA hours.

The Independent Body was conscious of the added importance of making recommendations which will contribute towards creating a strong and positive atmosphere and attitude among Government and Unions, as parties to Building Momentum, its sectoral negotiations and treating all civil and public staff in a fair and transparent manner.

The Independent Body is of the view that its recommendations will assist the parties to continue to collaborate and co-operate in meeting the challenges facing our public services currently and that they remain in a position to ensure rapid responses can be put in place to meet the needs and requirements of the public.

In conclusion, the Independent Body also believes that the recommendations made in this Report should potentially lead to the conditions by which a successor agreement to Building Momentum should be negotiated.

Kieran Mulvey Chairman January 6, 2022.

1. Introduction



1.1 Building Momentum Background

Building Momentum is a two year Public Service Agreement and is an extension of the framework of previous Public Service Agreements. The Agreement has a number of objectives:

- To support broader strategies to bring about a post-COVID-19 economic recovery;
- To provide certainty and stability for the Government, public service users and public servants over the lifetime of the Agreement;
- To establish a normalised collective bargaining environment, moving beyond the FEMPI-era restrictions and the COVID-19 pandemic;

 To maintain the momentum of reform and change exemplified by the public service during this public health emergency.

The Agreement provides for each sector to agree and publish Action Plans within an overarching framework. The Action Plans are available to view on the Gov.ie website.¹

Additional Working Hours

Chapter four of the Agreement provides for the establishment of an Independent Body to examine the issues arising in addressing the additional hours introduced under the HRA. The Body has been tasked with reporting its findings and recommendations by the end of 2021 (the Terms of Reference of the Body are set out in the Appendix). The Agreement provides for an

¹ https://www.gov.ie/en/publication/97835-building-momentum-a-new-public-service-agreement-2021-2022-action-plans-linked-to-the-reform-agenda/

envelope of €150 million to implement the Body's recommendations in 2022. The terms of reference provide that the Body will consider and fully take into account submissions made by the parties to Building Momentum. The following section sets out a summary of key issues raised in the submissions received by the Body, while issues raised in relation to specific sectors are explored further in Section 5.

1.2 Submissions made to the Independent Body

Summary of submissions received from Employer Bodies

In presenting the employer perspective, the Department of Public Expenditure and Reform (DPER) outlines that, since the introduction of the HRA hours there have been increases in public service pay and numbers. Staff numbers have increased by 75,000 (or 26%), while the public service pay bill has increased by €6.3 billion (or 38%). A significant proportion of this increase has been in sectors that are critical to the provision of frontline public services (e.g. in Health and Education).

The Employer submission states that the additional hours have been significant in delivering increased productivity across the public service, while also bringing working hours in line with the private sector, and that any reduction in hours would have administrative and operational implications for the delivery of public services. DPER further emphasises that the additional hours have been crucial in the ongoing public service response to the COVID-19 pandemic, and cites various initiatives relating to the increasing reform of public services.

DPER estimates the replacement cost of the HRA hours to be €627 million, assuming all of the extra time is replaced by recruiting additional staff (requiring an estimated 10,952 additional full-time equivalents (FTEs)). However, the submission argues that this is a conservative estimate of the true cost, as challenges in recruiting the necessary staff, in the context of a tight labour market, could result in a reliance on more costly overtime or agency staff arrangements. Furthermore, changes in overtime divisors, on foot of a reduction in working time (such as a reversion to pre-HRA overtime divisors),

is estimated by DPER to cost €17.5m *per αnnum,* increasing the overall cost estimate to €645 million. This is based on overtime levels at end-2020.

DPER also states that those public servants who elected to remain on their pre-HRA hours with a commensurate reduction in pay, should be factored into the Body's consideration. The submission further emphasises that any restoration of hours should not mean a complete return to pre-HRA hours, and that any adjustment should be seen as an opportunity to maintain a working week which is comparable to the private sector, and should not result in working hours falling below the level that applied prior to the HRA.

Position of the Irish Congress of Trade Unions (ICTU)

As requested by the Body, the ICTU Public Services Committee made a single written submission on behalf of the Unions affiliated to ICTU. In summary, the submission asserted that:

- The changes to working conditions agreed under the HRA were temporary;
- It was never the intention that the changes contained in the HRA would continue indefinitely, and that they would, in fact, be restored once economic and Exchequer circumstances allowed;
- Building Momentum would not have been accepted without a strong provision that addressed the issue of working hours;
- Acceptable progress on the restoration of the additional hours remains a prerequisite for members support for any future Public Service Agreement;
- The HRA hours remain a deep and primary grievance among those it impacts;

Additional working hours were agreed under the HRA because it was the only alternative to a proposed third pay reduction being imposed under FEMPI legislation. The ICTU submission highlights the adverse impact of the additional hours on members' personal and family lives, with no or minimal productivity gains. A 2020 Fórsa survey indicated that, among clerical, administrative and executive grades, a large majority of staff believe the additional hours to be counter-productive.

The submission also draws attention to the view that the additional hours disproportionately impact on lower income public servants and female workers, and that the majority of higher-income public servants have seen a restoration of reductions in pay introduced under the HRA. The submission puts forward a view that the impact of the additional hours has meant that many female public servants were obliged to make changes to arrangements for balancing work with childcare responsibilities, with some female employees seeking part-time arrangements, retiring early, or opting for reduced pay rather than work the extra time. It is suggested that, with the moratorium on recruitment, the HRA hours were not sufficient to offset the drop in FTEs experienced in the years preceding the HRA.

Although no specific evidence was provided to support their contention, the ICTU submission states that the €150 million, which has been allocated by Government for implementing the Body's recommendations in 2022, will be sufficient to restore most, if not all, of the HRA hours without negative impacts on costs or service delivery.

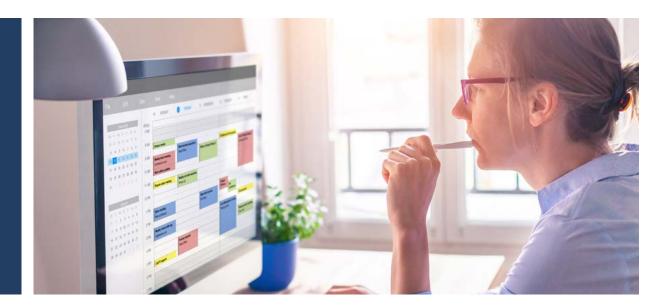
1.3 Items not within the Independent Body's Terms of Reference

Several of the issues raised by stakeholders are not within the scope of the Independent Body's Terms of Reference. These include:

- Recommendations regarding how and to what degree the HRA hours should be replaced;
- Issues concerning public service pay, including:
 - » Issues relating to overtime and agency costs;
 - » The benchmarking of public service pay; and,
 - » The provision of a payment in-lieu of the restoration of working time.
- Following a recommendation to restore pre-HRA working time:
 - » The provision of a compensatory payment to those previously working less than 35 hours; and,
 - » The provision of a compensatory payment to those who previously reverted to their pre-HRA hours.

In addition, the Independent Body received a submission from the Representative Association of Commissioned Officers (RACO). While the Body notes the issues raised in this submission, members of the Defence Forces are not impacted by the additional working time introduced under the HRA and therefore are outside of the Body's Terms of Reference. This submission can be found on the Gov.ie website.

2. Methodology



This section details the approach taken by the Independent Body to the technical analysis of quantifying and costing (in terms of replacement) the additional hours worked by public servants under the HRA. It also provides a summary of the implications of the Body's recommendations for working time in the public service, and examines some of the factors underpinning the costs associated with these recommendations.

2.1 Previous estimates of the volume and replacement cost of the HRA hours

A previous IGEES paper published in 2017 as part of the Spending Review process,² examined the additional working time introduced under

both the Croke Park Agreement (CPA) and the HRA, and estimated that, for 2016, there were 15 million additional hours in the public service as a result of both Agreements. The paper estimates a replacement cost for end-2016, in respect of the additional time worked under both agreements, ranging from €311 million to €621 million depending on the level of replacement. In all cases, all of the additional time is returned to all grades, and the lost time is assumed to be replaced by recruiting additional staff.

The methodology used by DPER in the Employer submission to the Independent Body closely follows the approach set out in the IGEES paper. The Employer submission estimates that, by end-2021, there will be approximately 15 million additional hours available in the public service as a result

² Ryan, C. and E. Walker, Estimating the Value of Additional Hours Worked: Haddington Road & Croke Park Agreements, IGEES Staff Paper, July 2017.

of the HRA.³ If the length of the working week was reduced in line with prevailing working time arrangements prior to the HRA, DPER estimates that the replacement cost for these hours would be €645 million, assuming: all of the HRA hours are returned to all grades, every hour is replaced by recruiting additional staff, and overtime divisors also change in line with a reduced working week.

2.2 Methodology used by the Body to quantify and cost the HRA hours

The Body's approach to this technical analysis aims to build on the methodology used in previous analyses by IGEES and DPER, as referenced above. The Body developed this approach in several key ways.

The main differences between the approach taken by the Independent Body and the previous exercise by DPER and IGEES, are summarised in Table 1 and detailed below.

Input data

The Body made an initial request for information seeking quantitative information from the employer side in respect of those grades in each sector that are working the HRA hours. The Body sought the following end-2020 data from sectoral employers, at the grade or grade group level:

- FTEs at the end of Quarter 4;
- Total annual pay expenditure;
- Pre-HRA and present working hours;
- The replacement requirement and likely replacement mechanism(s);
- · Estimates of the cost of replacement; and,
- The proportion of the additional hours spent in direct versus indirect service delivery.

Additional qualitative information was sought from both the employer and union sides, specifically relating to the operational, administrative and service delivery implications of a reduction in working time. Further information was later obtained at meetings between the Body, and staff and employer representatives.

Table 1. Summary of key methodological differences between DPER and Independent Body

	DPER	Independent Body
Input data	End-2019 (uprated to end-2021)	End-2020 (uprated to end-2021)
Uprate factors	Based on Budget 2021 estimates	Developed by the Body and informed by: Budget 2021 estimates; analyses of historical recruitment trends for each sector; direct engagement with sectors
Deriving pay costs	Total pay expenditure for 2019 is divided by end-2019 FTEs to develop an average pay cost for each grade or grade group	1: Total pay expenditure for 2020 is divided by end-2020 FTEs, to develop an average pay cost for each grade or grade group; 2: The mid-point of the salary scale for each grade is used, with adjustments to capture allowances, premia payments, and employers' PRSI.

Note: As highlighted in the table above, among the differences in the approach taken by the Independent Body, are the timing of the data used, the uprate factors used, and the approach to estimating pay costs.

³ All submissions made to the Body are available on the Gov.ie website.

The Independent Body received data in respect of five sectors and one Non-Commercial State Agency (NCSA): Health, Education, the Civil Service, Local Authorities, Justice, and Tusla (the largest NCSA in the State).

There are a large number of individual NCSAs employing approximately 15,052 staff in the public service (at end-2020). Their conditions of employment tend to follow Civil Service norms, so the Body expects that broadly similar considerations should apply in respect of these groups. As the largest NCSA in terms of staff, Tusla accounts for almost one-third of overall NCSA employment.

Uprate factors

To determine accurate estimates of the growth in public service numbers from end-2020 to end-2021, the Body drew from multiple sources, including:

- Estimates of public service numbers underpinning Budget 2021;
- Historical recruitment trends for each sector or grade, including monthly recruitment patterns throughout 2021; and,
- Engagement with DPER and sectoral employers on recruitment trends and recruitment plans.

Quantifying and costing the additional hours

To quantify the additional hours, the Body followed a similar approach to that taken by DPER. The volume of additional hours was estimated in respect of estimates of end-2021 public service numbers, using information on the weekly additional hours requirement at the grade group level.

In costing the additional hours, and to provide additional granularity beyond the level of the grade group, the Independent Body supplemented payroll expenditure data using salary scale data. This provided the Body with the flexibility to model scenarios at the individual grade, rather than grade group level. For each grade, the mid-point of the relevant salary scale was determined. For those grades where additional payments are significant relative to the base pay component (such as premia and allowances), additional information on the average level of these payments by grade was

obtained and incorporated with the salary midpoint. Finally, an adjustment was made to account for employers' PRSI.⁴

2.3 Independent Verification

Following a procurement process to elicit the services of an independent third-party, the Body engaged the services of Grant Thornton to assess the methodology used in quantifying and costing the HRA hours.

Overall, this review found that: "The approach used by the Body to estimate the potential costs associated with the return of hours under the HRA is, in our view reasonable and robust." This review can be accessed in full on the Gov.ie website.

⁴ This approach is consistent with guidelines for the costing of additional staff set out in the Public Spending Code.

3. Summary of the implications of the Independent Body's recommendation for working time in the public service



For the majority of public servants impacted by the additional working hours, the Independent Body's recommendation will reduce the length of the working week by two hours. This will bring weekly working hours in the public service in line with those that prevailed prior to the implementation of the HRA hours in 2013.

However, key to the Body's recommendation, is that a minimum floor of 35 hours should apply in respect of the weekly working week for each grade. For example, this means that while Civil Servants are required to work an additional 2 hours and 15 minutes under the HRA, the new weekly requirement

would be 35 (net) hours rather than 34.75 hours (the pre-HRA working time requirement). The implications of the Body's recommendation for the weekly working hours of different grades or classes of public servant are summarised in Table 1.

Table 1. Impact of the Independent Body's recommendation on the length of the working week for certain grades/classes of public servant

Grade/class of public servant	HRA Hours Requirement	HRA Working Week	Independent Body Adjustment	New Working Week
Civil Servants	2.25 (weekly)	37	2 (weekly)	35
$Clerical/Administrative/Management^{\star}$	2 (weekly)	37	2 (weekly)	35
Education: All Other Grades	2 (weekly)	39	2 (weekly)	37
Nursing and Midwifery	1.5 (weekly)	39	1.5 (weekly)	37.5
Health and Social Care Professionals*	2 (weekly)	37	2 (weekly)	35
Medical and Dental (excl. NCHDs and Hospital Consultants)	2 (weekly)	39	2 (weekly)	37
An Garda Síochána	15 (annual)	40 + allocation of annual hours	15 (annual)	40
Tusla: Social Care Workers	2 (weekly)	39	2 (weekly)	37
Tusla: All Other Grades	2 (weekly)	37	2 (weekly)	35

Notes: *There are cases of cohorts within these categories that had a pre-HRA working week of less than 35 hours. Clerical/Administrative/Management refers to related grades across all sectors. The HRA Working Week included here for An Garda Síochána is based on the length of the average working week for members of An Garda Síochána.

3.1 Sectoral costings arising from the Independent Body's recommendation

The costs associated with a reduction in working time in the public service arises where there is a requirement to replace this time, in order to ensure the continuity of key services or to avoid a diminution in the quality of these services.

The Independent Body's analysis confirmed that the cost of implementation of the recommendation to restore the HRA hours will be approximately €180 million in 2022 (and approximately €357 million in a full year).

One option available to the Body was to recommend the restoration of the additional hours on a phased basis over a number of years. While a recommendation to phase restoration could have reduced the cost in 2022 and 2023 the Body was cognisant of the likely operational disruption which would arise from having to make large scale adjustments to rosters, shift patterns and working hours twice in a relatively short period. This was one of the reasons the Body decided against adopting

such an approach to the restoration of the HRA hours.

A breakdown of the estimated cost of the Independent Body's recommendation by sector can be seen in Table 2 and Figure 1.

Table 2. Sectoral breakdown of the estimated cost in 2022 of the Independent Body's recommendation

Sector	Cost in 2022
Health	€102 million
Civil Service	€38 million
Local Authority	€14 million
Higher Education	€10 million
Tusla	€8 million
Education (first/second-level and FET)	€4 million
An Garda Síochána (AGS)	€3 million
Total	€179 million

Source: IHB costings, based on data obtained from DPER.

Notes: The 2022 cost refers to the cost of the Independent Body's recommendation from 1st July to 31st December 2022. The cost of this recommendation in a full-year is estimated to be €357 million. Data rounded to nearest whole number.

Civil Service 21%

Civil Service 21%

Showing the service 21%

Local Authority 8%

Education 2%

Higher Education 5%

AGS 2%

Figure 1. Sectoral shares of the estimated cost in 2022 of the Independent Body's recommendation

Source: IHB workings, based on data obtained from DPER.

Notes: AGS refers to An Garda Síochána. Data rounded to nearest whole number.

Key factors influencing these costings

It is important to note that in analysing the replacement cost of the HRA hours, the Independent Body considers replacement on an hour-for-hour basis, with costs relating to estimates of the remuneration arrangements for affected grades. The true cost of a reduction in working time in the public service may ultimately be driven by overtime or agency staff arrangements, which are generally more costly than recruitment. The actual replacement mechanism and overall level of replacement is a matter for the Employer and a recommendation on these issues is beyond the Independent Body's Terms of Reference.

The Body is satisfied that a reduction in working time for posts at managerial level across the public service would not have a material impact, and therefore, it is assumed that this time would not require replacement and incur the associated costs. This includes, for example, grades equivalent to Assistant Principal and above in the Civil Service, nursing grades at Clinical Nurse Manager 3 and above in the Health Service, Inspector and Sergeant ranks in An Garda Síochána etc. These cohorts of staff regularly work in excess of their contracted hours in meeting the requirements of the role to which they have been assigned.

While recognising this fact, the Independent Body is recommending that both Government and Unions agree that no compensatory claims will be pursued, or conceded, in respect of any grade, arising from the implementation of the Body's recommendation.

The Independent Body is also recommending that a standardised minimum working week of 35 hours should apply across the public service. In effect, this means that pursuant to the Body's recommendation, the restoration of working time should not result in public servants working less than 35 hours per week.

Finally, the Body is of the view that issues relating to the divisor used in the calculation of overtime payments should be a matter for further discussion between the parties to the Building Momentum Agreement, and does not propose a recommendation regarding overtime divisors in the context of this Report.

The key points of the Independent Body's recommendation for specific sectors are summarised below.

Health:

- The Independent Body estimates that the recommendation will cost €102 million in respect of the health sector in 2022. This is 57% of the total cost of the recommendation.
- Of the estimated €102 million, Nursing and Midwifery grades are estimated to account for €40 million, representing 22% of the total cost.
- Negotiations are ongoing on a new contract for consultants and the Body expects working time arrangements will be dealt with as part of these negotiations. For this reason, Hospital Consultants have not been included in the Body's recommendation and are therefore, not a contributing factor in terms of cost.

Civil Service:

- The Independent Body estimates that the recommendation will cost €38 million in respect of the Civil Service in 2022. This is 21% of the total cost of the recommendation.
- Prior to the HRA, Civil Servants were working 34.75 hours per week. The Body's recommendation that a minimum floor of 35 hours per week should apply across the public service, means that the new working week for Civil Servants will be 35 hours (i.e. working hours are not expected to return to 34.75). This was factored in when costing the Body's recommendation.

Local Authority:

 The Independent Body estimates that the recommendation will cost €14 million in respect of the local authority sector in 2022. This is 8% of the total cost of the recommendation.

Tusla:

 The Independent Body estimates that the recommendation will cost €8 million in respect of Tusla in 2022. This is 5% of the total cost of the recommendation.

Higher Education:

 The Independent Body estimates that the recommendation will cost €10 million in respect of the higher education sector in 2022. This is 5% of the total cost of the recommendation. An OECD assisted review of the academic contract is currently underway, and the Body does not believe that a recommendation is appropriate for this cohort at this time. For this reason, academic grades have not been included in the Body's recommendation, and are not a contributing factor in terms of cost.

Education:

- The Independent Body estimates that the recommendation will cost €4 million in respect of the first/second-level education and FET sectors in 2022. This is 2% of the total cost of the recommendation.
- The Body is satisfied that primary and postprimary school teachers receive an additional payment for carrying out duties relating to their HRA obligation. The Body sees no basis to adjust this arrangement which was arrived at under previous Agreements. For this reason, primary and post-primary school teachers have not been included in the Body's recommendation and are therefore not a contributing factor in terms of cost.

An Garda Síochána:

 The Independent Body estimates that the recommendation will cost €3 million in respect of An Garda Síochána in 2022. This is 2% of the total cost of the recommendation.

4. Overview of the additional hours worked by public servants under the Haddington Road Agreement (HRA)



This section provides the background and context to the HRA hours, and gives an overview of pay agreements in the time since the additional hours were introduced. This section also examines the evolution of working time in the public service, and changes in public service numbers since 2013.

4.1 Background

In response to the financial crisis in 2008, the Government sought to reduce the Exchequer deficit and achieve greater value for money in the delivery of public services. At the time, the public service pay bill accounted for 36% of current Government spending, as can be seen in Figure 2. Achieving savings in this area was seen as key to the stability of the public finances.⁵

⁵ Department of Public Expenditure and Reform, Public Service Pay: Policy Information, Gov.ie, accessed: October 2021.

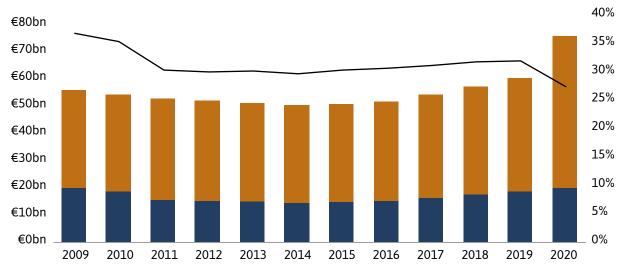


Figure 2. Public service pay bill as a proportion of current Government expenditure

■ Public Sector Pay Bill (LHS) ■ Other Current Expenditure (LHS) — Pay Bill as Proportion of Total Current Expenditure (RHS) Source: IHB workings, based on data obtained from DPER Databank.

The Financial Emergency Measures in the Public Interest (FEMPI) Acts⁶ provided a legislative basis for the downward adjustments to the pay and pensions of public servants between 2009 and 2015. The implementation of the FEMPI Acts was supported through the Croke Park Agreement (CPA) and HRA. From 2009 to 2014, a moratorium on recruitment, together with extraordinary emergency pay legislation and limited voluntary redundancy schemes, helped to significantly reduce the pay bill.⁷

Under reforms introduced as part of the CPA and HRA, public servants also agreed to work additional hours. These additional hours assisted greatly with meeting the increasing demand for public services at a time of significant resource constraints.

4.2 Haddington Road Agreement (2013–2016)

The HRA built on the significant reforms that had been achieved under the CPA, and provided for a series of further reforms in the following areas:

- Redeployment;
- Performance management;
- Flexible working arrangements;

- · Work-sharing arrangements; and,
- · Workforce restructuring.

The HRA also introduced temporary pay reductions for those earning over €65,000 per year, and changes to overtime and premia payments.

The additional working time for teachers and staff in Higher Education Institutions (HEIs) that was introduced under the CPA, was consolidated in the HRA. In addition, further changes to the working week were introduced, with some variation at the sectoral level due to pre-existing terms and conditions attached to certain grades.

Overall, the various measures introduced under the FEMPI Acts are estimated to have resulted in savings of approximately €3.7 billion over 2009 to 2014, across pay and pensions, supported by reductions in staff numbers and the implementation of productivity measures across the public service.8

⁶ An overview of the principal pay changes included in each of the FEMPI Acts can be found in the Appendix of this report.

⁷ Department of Public Expenditure and Reform, Financial Emergency Measures in the Public Interest (FEMPI) Acts, Gov.ie, accessed October 2021.

Department of Public Expenditure and Reform, Financial Emergency Measures in the Public Interest Act 2013 (No. 18 of 2013)
 Annual review and report to the Houses of the Oireachtas by the Minister for Public Expenditure and Reform under section 12 of the Act, June 2020.

4.3 The evolution of working time in the public service

The CPA did not result in changes to working time for the majority of public servants. However, it did introduce a requirement for teachers and staff in HEIs to work one additional hour per week. The additional hours introduced under the CPA were retained in the HRA.

The HRA provided for the following changes to the standard working hours of public servants:

- The working hours of those with a working week of 35 hours or less (net of rest breaks) increased to a minimum of a 37 hour week;
- The working hours of those with a working week of more than 35 hours but less than 39 hours (net of rest breaks) increased to a 39 hour week; and,
- The working hours of those with a net working week of 39 hours or greater remained the same.
 However, an hour of overtime worked each week for these grades was unpaid until 31st March 2014.

These changes were implemented at the sectoral level through existing procedures around time and attendance, and on a phased basis. The first 2 hours and 15 minutes was implemented from 1 July 2013, and any remaining liability was to be implemented from 1 July 2015. Staff were given the option to stay on their pre-HRA hours with a *pro rata* reduction in pay.⁹

The HRA hours could be implemented either as a revision to the length of the working day or week, or on an accumulated basis. In most cases, the additional hours were added to the length of the working day, but for those involved in shift work, the hours were accumulated and incorporated into pre-existing shift-patterns. Table 3 provides an overview of the additional working time by group or class of public servant.

When the additional working time was introduced in 2013, it was estimated that this would add approximately 15 million hours to the public service on an annual basis.¹⁰

Table 3. Overview of the HRA hours requirement for selected groups of public servants

Grade or class of public servant	HRA hours	Implementation	
Civil Servants	2.25 hours (weekly)	Extension of the working day.	
An Garda Síochána	15 hours (annual)	Self-rostering.	
Nursing and Midwifery	1.5 hours (weekly)	For nurses and midwives working on a 24/7 frontline basis, this is equivalent to 6.5 additional 12-hour shifts per year. For day service nurses and midwives, there was an extension of the working day.	
Health and Social Care Professionals	2 hours (weekly)	Extension of the working day.	
Medical and Dental (excl. NCHDs)	2 hours (weekly)	Extension of the working day.	
Clerical / Administrative / Management	2 hours (weekly)	Extension of the working day.	
Teachers*	6 hours (annual)	Supervision and Substitution (S&S) schemes.	

Notes: This table provides an overview of the HRA hours across selected groups and sectors, and is based on information provided to the Independent Body by union and employer groups. *It is worth noting that the additional hours performed by primary and post-primary teachers are distinct, in that since 2017, a payment has been incorporated into teacher salary scales in respect of this extra working time. The total working time obligation for teachers under Supervision and Substitution (S&S) schemes is 43 hours per year.

⁹ Evidence gathered by the Independent Body suggests that a small minority of public servants availed of this option.

¹⁰ Department of Public Expenditure and Reform, Public Service Reform Plan 2014-2016.

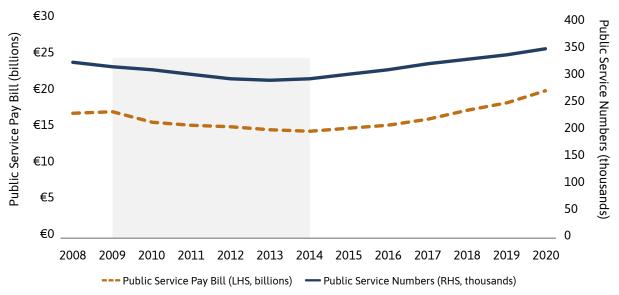
4.4 The evolution of public service numbers

Public service numbers have varied significantly over the period from 2008 to 2020 (see Figure 3). Between 2009 and 2014, a moratorium on public service recruitment was in effect, with the number of public servants falling by 7% in this period.

However, since 2013 (when the additional hours came into effect), public service numbers have been steadily increasing as Government invested in additional public services to meet the needs of a growing population in areas such as Education, Health Service provision, Community Care, Child Protection and Justice. Between 2013 and 2020, the number of public servants increased by approximately 20%, with an annual average increase of 3%. In total, approximately 58,000 additional FTEs were recruited across the public service in this period.

During this time, the public service pay bill also increased, reaching €20.3 billion by the end of 2020. This was as a result of both an increase in the numbers employed to provide public services and the restoration of rates of pay negotiated through national public service pay agreements. In 2020, the pay bill was approximately 27% of current Government expenditure and, in previous years, has consistently accounted for approximately one-third of current expenditure on an annual basis.¹¹

Figure 3. Changes in public service numbers and the public service pay bill (2008-2020)



Source: DPER Databank.

Notes: The grey shaded area corresponds to the moratorium on public service recruitment in effect over 2009–2014.

¹¹ Expenditure on emergency COVID-19 related supports for households and businesses throughout 2020 and 2021 reduces the percentage of current expenditure allocated to public service pay in those years.

5. COVID-19 and the impact on the workplace



The public service has undergone further significant reform in the period since the HRA hours were introduced.

In the last two years, the challenge presented by the COVID-19 pandemic has accelerated reforms already in train, and continues to guide and reshape the approach to ensuring the ongoing provision of essential public services.

The public service was required to respond swiftly to many urgent and new demands for government interventions. Those charged with the provision of public services had to react immediately to new priorities set by Government, that were required to protect the health of the public and address the enormous social and economic threats presented by the rapid spread of the disease.

The Building Momentum Agreement provided an essential platform for unions and management to collaborate and cooperate from the onset of the pandemic, and to engage in joint problem solving to ensure rapid response implementation for whatever measures were deemed essential to support the needs of both business and the public. Many of these changes were achieved despite the requirement that tens of thousands of public servants move to working remotely.

As the public service is challenged to continue to seek responses and shared solutions to the problems presented by COVID-19, or indeed Brexit and climate change, there is very little likelihood that there will be a return to working life as it was in the sector prior to the arrival of the pandemic.

The Independent Body fully endorses the objectives supporting cooperation with ongoing change and reform contained in Building Momentum, which

provide the conditions that allow agreed effective responses to the challenges facing the country.

This section explores some of the more significant reforms that were introduced across the public service since the onset of the pandemic, including productivity reforms, accelerated digitalisation, and the large-scale adoption of blended working practices.¹²

5.1 Scale of public service delivery during COVID-19

The COVID-19 pandemic created an unprecedented challenge for public service organisations delivering key services to their customers. This section explores the scale of delivery of public services during the pandemic despite the disruptions caused by the public health emergency. Specific examples are referenced that best highlight the capacity of the public service to deliver at scale, even during times of crisis, and showcase the diversity of important services provided across the public service throughout the course of the pandemic.

Health care professionals in particular were at the forefront of the public service response to COVID-19, including those providing care in hospital settings and to the medically vulnerable in other settings. This section begins with an overview of the scale of the challenge faced by the HSE in managing the response to the pandemic, and the extraordinary efforts of the health sector to rapidly expand capacity in order to mitigate the worst of the public health emergency.

Managing the public health response

On 29 February 2020, the first confirmed case of COVID-19 was recorded in Ireland. By 9 March, the concept for the HSE's operational response to COVID-19 was developed, and within four days, on 13th March, the Integrated National Operations Hub (INOH) was established.¹³

The INOH was set-up to provide centralised oversight of service delivery across acute and community services, as well as testing and contact tracing, helping to ensure an integrated response to the public health emergency. By 17 March, a national recruitment campaign was underway for front-line healthcare workers, and the first community testing centre was operational.

Highlighting the scale of the public health crisis, within one month of the first confirmed case, the National Public Health Emergency Team (NPHET) made a decision on the 27 March to postpone all "non-essential surgery, health procedures and other non-essential health services", and within six weeks of the first confirmed case, there was an ICU occupancy of 155 cases.

By 19 May, testing for COVID-19 was scaled up to include all close contacts of confirmed cases, and to assist in the notification of close contacts, the COVID Tracker App was launched on 7 July. In September and October, recruitment campaigns were launched to further enhance testing and tracing capacity, with the targeted hiring of 700 community swabbers and 800 contact tracers.

The public health response entered a new phase on 23 November, with the establishment of the COVID-19 vaccine taskforce, drawing on expertise from across the Public Sector. The first vaccine was administered in the State just four weeks later, on 29 December, and the vaccine roll-out continued at pace throughout 2021. By the end of October, over 7 million doses had been administered, representing more than 90% of the adult population. The booster vaccination campaign commenced on 1 November 2021.

Compounding the challenges of the pandemic for the health sector, the healthcare system was further tested by a ransomware attack on 14 May 2021. This resulted in a significant slowing of service delivery, reduced capacity in providing essential services, cancellations across outpatient services, and delays across vital services such as chemotherapy

¹² This section is informed by case studies chosen from across the public service that serve to illustrate: the scale of the challenges faced by public servants during this time, the necessary reforms made to meet these challenges, and the ongoing implications for public service delivery. Several of these case studies have been adapted from: Excellence in Customer Service Case Studies - Our Public Service 2020 (Department of Public Expenditure and Reform).

¹³ This section draws on information contained in a presentation delivered by the HSE Chief Operations Officer on 8 November 2021, as part of: Our Public Service Innovation Conference (Department of Public Expenditure and Reform).

and dialysis, forcing a return to manual or paper-based administrative systems. Overall, 478 acute services and 354 community services were impacted, with 4,891 servers and 83,000 devices requiring decryption.

A flexibility of approaches and resources enabled the health system to integrate and rapidly respond to changes in public health guidance and COVID-19 case surges since March 2020. This flexibility ensured that the right people and resources were deployed to the areas of greatest need.

Ensuring continuity of teaching and learning

On 12 March 2020, Ireland announced the closure of all schools and Further Education and Training (FET) settings with immediate effect. Like much of the public service, work commenced to ensure the continuity of services while adhering to physical distancing and other public health guidelines.

In navigating the early stages of the pandemic, schools and FET centres were required to leverage pre-existing resources to facilitate continued learning. Online learning support tools were already in place as a result of the Digital Strategy for Schools (2015-2020), which had aimed to embed ICT more deeply across the school system. To further support digital learning, schools and households received access to the Department of Education and Skills' (DES) online portal (Scoilnet) containing educational resources. In FET settings, the Education and Training Boards (ETBs) provided resources, tools and support for educators and facilitated online learning.¹⁴

In developing the response of the sector to the public health crisis, DES conducted a telephone survey of school principals, while the primary and post-primary sectors were surveyed by Maynooth University and the ETBs, respectively. These responses informed Guidance on the Continuity of Schooling, published by DES in May 2020. Leaving Certificate written exams were ultimately cancelled and replaced with a system of calculated grades, although students preferring to sit exams were permitted to do so later in the year. Junior Cycle exams were also cancelled and replaced with school-based assessment, while practical and oral exams were cancelled or postponed.

Schools also continued to provide free school meals to children during this time. To respect public health measures, many schools delivered weekly food packages to families.

Through the Temporary Assignment programme, Special Needs Assistants (SNAs) were reassigned to a priority area suited to their skills, including community services for disabled and other vulnerable children. Funding was also provided to enable schools to purchase digital equipment for disadvantaged students, initially targeting exam candidates.

Delivering emergency income supports

Another example of delivery at scale against unprecedented demand, is the Department of Social Protection's (DSP) rollout of a simplified application process for unemployment support during the public health emergency, and the implementation of the PowerApp.

With administrative restrictions in place curtailing economic activity, the pandemic saw a significant number of employees transitioning onto State income supports. The Pandemic Unemployment Payment (PUP) was launched on 13 March 2020, and the number of claims rose from 60,000 to over 500,000 in the first three weeks of the scheme. Similarly, the volume of calls to DSP's Income Support Helpline reached over 5,000 per day, with demand increasing on a daily basis.

Large numbers of DSP staff were quickly transitioned into new customer service roles on the Income Support Helpline. DSP designed an internal "PowerApp" to provide a consolidated view of each customer's payment status. The PowerApp improved the ability of customer service teams to resolve customer issues, and became essential for DSP in providing support to the approximately 215,000 customer enquiries received by the Income Support Helpline in just 10 weeks.

¹⁴ This section draws on information contained in: OECD, Education Policy Outlook - Ireland, June 2020.

Facilitating the safe return of Irish citizens based abroad

As restrictions on international travel came into effect in March 2020, the Department of Foreign Affairs (DFA) mobilised quickly to activate the Crisis Centre to assist Irish citizens to return home, given the unprecedented number of requests for assistance from Irish citizens based abroad.

Within 10 days, the entire Passport Service Customer Service Hub had been redeployed to the Crisis Centre. The main Crisis Centre was reinforced by a second call centre, set up and running out of the Balbriggan Passport Office within two weeks. At the peak of the crisis, phone lines and the web chat were open on a 24/7 basis. The centres received over 17,600 calls between March and September 2020, with teams handling over 2,900 individual cases.

5.2 Innovation and productivity during COVID-19

The onset of the pandemic, and the associated public health measures, had severe implications for normal business practices across the civil and public service. Much of the core business of public service organisations, such as face-to-face services and the traditional paperwork approach to the processing of claims and applications, was required to drastically change overnight.

There are several examples included below that illustrate the scale of this change and the capacity of the public service to adapt swiftly in a dynamic and fast changing environment. These examples also illustrate how the pandemic drove innovation, which facilitated the continuity of services and in some cases, the expansion of existing services and the introduction of new schemes and frontline services.

Advancing digital solutions to replace paper-based administrative processes

A key example of the pandemic driving innovation, relates to the processing of Housing Application Forms (HPL1) for social housing applicants and those applying to the Home Loans programme. This manual paper-based process was transitioned to a new online system in April 2020, requiring cooperation between the Revenue Commissioners,

the Department of Housing, Local Government and Heritage, the Housing Agency and individual local authorities. The new online system allows Revenue to check all applicants in a request in just one step, replacing a voluminous paper process with a systemised electronic system. It has been estimated that this innovation has removed the need for approximately 37,000 points of contact to Revenue offices from the public on an annual basis.

The process for the renewal of Irish Residency Permits was another lengthy, paper-based process, requiring applicants to be seen in person at the Dublin Registration Office (DRO). When the DRO was required to close, this led to a slow-down in the processing of applications with a back-log of cases building in the system. The Department of Justice leveraged a technological solution already used for other schemes, integrating Form.ie, Alfresco and RealEx Global Payments to create an online form platform, enabling the processing of online applications. This innovation heavily reduced physical traffic at the DRO, allowed customers to take a self-service approach to their applications and reduced the pandemic-related backlog of renewal applications. Crucially, this experience paved the way for the expansion of digital service delivery into other areas in the Department of Justice, with other schemes and forms queued for inclusion.

Adapting business models to facilitate the continuity and expansion of key services

Another example of the public health emergency driving innovation and reform, can be seen in the response of public libraries to the mandated closure of library buildings. The 31 local authorities have responsibility for the provision of library services to the public, while a national library management system is operated on a shared service basis by Dublin City Council (DCC) and the Local Government Management Agency (LGMA). To meet the demand for new membership throughout the period of closures, changes were made to the registration system, enabling the process to be completed online. From April to October 2020, there was a 129% increase in new members registering for virtual books or audiobooks, relative to 2019. This reform allowed libraries to expand their customer base and to reach a broader audience than before.

Another key reform borne out of the public health emergency relates to the provision of GP services. The delivery of Online GP Portals, and the roll-out of a system of Electronic Prescriptions, has enabled an important front-line medical service to continue largely unabated throughout the period of public health restrictions. The development of online portals involved collaboration between the HSE, GPs and the private sector, leveraging technology that was already in use. The portals allow GPs to offer online bookings, video consultations, secure messaging and form completion. Of note, 'did not attend' rates decreased in the time since this innovation was rolled out, and GPs are now able to send prescriptions directly to a patient's pharmacy, eliminating the physical exchanges typically involved in processing a paper prescription.

5.3 The benefits of digitalisation during COVID-19

The digital capacity of the civil and public service played a key role in the response to the pandemic. The rapid digitalisation of new and existing public services allowed public service organisations to continue to support customers despite the significant disruptions caused by the public health emergency. Some of these were explored in Section 4.1 and Section 4.2, and additional examples include:15

- Court appearances, rights-based hearings, and dispute resolution processes conducted through digital technology;
- Digital learning using video conferencing tools for first, second and third-level students across the country;
- Virtual recruitment services ensured continued recruitment to key frontline areas; and,
- Staff training and learning were delivered by virtual and e-learning methods, to maintain the delivery of essential public services in a blended working environment.

The Building Momentum agreement aims to, inter alia, support strategies to bring about a post-pandemic economic recovery, while providing certainty and stability for Government, public service users, and public servants, and to maintain the momentum of reform and change exemplified by the public service during the public health emergency. The rapid digitalisation of public services, as outlined, has been a key enabler of this reform and change.

At the sectoral level, Health, Education and Local Authorities all have detailed Action Plans under the Building Momentum framework that outline how they intend to deliver on the commitments in the Agreement. Similarly, the Civil Service is now in the process of implementing its "Civil Service Renewal 2030" strategy, a key component of which, is to ensure that the Civil Service has the technological and digital capabilities and skills needed to meet rising (and changing) customer demands. A similar strategy to drive continued reform in the public service is also being developed, and will closely align to the objectives of the Civil Service strategy.

5.4 Blended and Remote Working Practices

The Irish workplace is now a dramatically different space than it was when the HRA was agreed in 2013. The pandemic brought about a sudden and seismic change in working arrangements for industries and public administrations across Ireland. Civil and public servants adapted rapidly to this changed environment, with the requirement for many to work remotely. Their successful efforts helped ensure the continuity of key public services over the last 22 months.

The Civil Service in particular experienced a large-scale shift to remote working. Approximately 75% of the 26,822 respondents to the 2020 Civil Service Employee Engagement Survey (CSEES) were working remotely, while 81% of this cohort had no experience of remote working prior to the onset of the pandemic.¹⁷

¹⁵ Department of Public Expenditure and Reform, Our Public Service 2020: Selected Indicators and Trends 2020.

¹⁶ Building Momentum: A new public service agreement 2021 – 2022, December 2020.

¹⁷ Department of Public Expenditure and Reform, Civil Service Employee Engagement Survey COVID-19 Remote Working Report, December 2020.

The Government published "Making Remote Work – National Remote Working Strategy" in January 2021. The key actions recommended in the report are to mandate that home and remote work should be the norm for 20% of public service employment, and that investment is made in a network of remote working hubs across Ireland. This target is echoed in the current Programme for Government.

The Civil Service Renewal 2030 strategy (published in May 2021) also reflects an ambition to develop a workplace that adopts flexible working models, where appropriate. The strategy aims to ensure that the Civil Service remains an employer of choice and recognises that allowing for greater flexibility in how Civil Servants do their work, is key.¹⁹ The Civil Service will seek to adopt long-term blended working arrangements *viα* an initial transition phase taking place from September 2021 to March 2022.²⁰

Numerous studies have been conducted since the onset of the pandemic to measure the effect of remote working on employee productivity.²¹ A national survey carried out by the Whitaker Institute for Innovation and Societal Change at the National University of Ireland, Galway, found that 68% of respondents either agreed or strongly agreed that working remotely increased their productivity.²² Similarly, 70% of respondents to the CSEES COVID-19 Report indicated feeling as effective when working remotely as they would have been under normal circumstances.²³

The OECD has noted that working remotely can improve performance by raising worker satisfaction, and therefore worker efficiency, for example, through better work-life balance, less commuting or fewer distractions leading to more focused work or lower absenteeism.²⁴

Given the manner in which the public service rose to the challenge of remote and blended-working in recent times, there are grounds for confidence that any reduction in working hours will not generally impact on the quality of public service delivery.

¹⁸ Department of Enterprise, Trade and Employment, Making Remote Work: National Remote Work Strategy, January 2021.

¹⁹ Department of Public Expenditure and Reform, Civil Service Renewal 2030 Strategy, May 2021.

²⁰ Department of Public Expenditure and Reform, Blended Working in the Civil Service, July 2021.

²¹ A literature review of related studies can be found in: Summary of Evidence: COVID-19 - Question 196, National Health Library and Knowledge Service, February 2021.

²² McCarthy, A., O'Connor, N., Ó Síocháin, T. and D. Frost, Remote Working: Ireland's National Survey - Phase III Report, NUI Galway Whitaker Institute and Western Development Commission, May 2021.

²³ Department of Public Expenditure and Reform, Civil Service Employee Engagement Survey COVID-19 Remote Working Report, December 2020.

²⁴ OECD, Productivity gains from teleworking in the post-COVID-19 era: How can public policies make it happen?, September 2020.

6. Sectoral Reviews



This section examines, at the sectoral level, how the HRA hours were used in practice, in addition to any operational, service delivery and administrative implications associated with a reduction in the hourly work requirement for staff.

In carrying out this analysis, the Independent Body references material included in the stakeholder written submissions. Where relevant, additional data and information has been sourced and used to supplement the Independent Body's assessment.

Finally, this section also aims to provide context to the Independent Body's consideration of the HRA hours worked in each sector, with an examination of some of the key issues and challenges that sectors are facing.

6.1 Health

Summary of Employer Submission

The Employer view is that a restoration of working time to pre-HRA levels will present significant challenges for the Health Service and its capacity, in the current environment, to deliver ongoing initiatives aimed at maximising efficiency, increasing productivity and achieving greater flexibility. It may also cause a delay in the delivery of planned additional services.

The Employer submission states that the additional hours have contributed towards substantial productivity gains, and were used to maintain services that otherwise would have been curtailed due to recruitment restrictions and funding cutbacks.

The submission highlights the administrative complications of a reduction in working hours, due to the need to revise existing rosters, particularly for nurses, and states that there would be a requirement to revisit productivity measures (which were successfully employed when working time was reduced from 39 to 37.5 hours per week in 2008).

Based on the Employer's own end-2021 FTE estimates, the submission states that removing the additional working time would result in the loss of approximately eight million hours *per annum*, equivalent to 4,300 FTEs. The submission claims that it is unlikely the HSE would be in a position to recruit these additional numbers, given ongoing difficulties in recruitment. The Employer claims that the ability to recruit staff to replace the lost hours would be a significant challenge, and any reduction of hours must be undertaken in a planned manner to provide adequate time to adjust and to avoid a disruption to services.

Health sector management advised the Independent Body that a reduction in hours will require an increase in staffing levels and in the absence of adequate staffing, will require increased usage of Agency staff and/or overtime.

Finally, the Employer view put forward in the health sector submission, is that any reduction in hours should be implemented by grade type rather than pre-HRA contracts, and that a reduction in hours must be contingent on meaningful and measurable reforms, as referenced in the Sectoral Reform Action Plan, specifically:

- Review and restructuring, where necessary, of rosters, across all disciplines encompassed;
- Staff commitment to accept alteration and flexibility of rosters as required; and,
- A change from 5/5 working to 5/7 working, in areas where there are service requirements and/ or benefits to service users, which are quantifiable and consistent with Sláintecare.

The submission also calls for a sanctioned standard full-time minimum hours requirement per week across all grades.

Summary of ICTU Submission in relation to the health sector

In a supplementary submission to the Body, ICTU states that while the management submission leans on the pandemic as a yardstick measurement of need, that this is not a regular measurement gauge. Their submission states that the real issue is the need for a properly resourced integrated healthcare system, and a restoration to pre-HRA hours would have minimal effect on this aspiration.

The submission states that there is no evidence of productivity gains or savings arising from the HRA hours in non-clinical health roles and that existing flexibilities ensure that necessary and essential work is done on the basis of public service-wide practices.

ICTU state that the current evidence suggests that grades with the longest working-week have the highest number of individuals working atypical hours.

Nursing and Midwifery

The ICTU submission outlines that having secured a 37.5 hour week following a dispute in 2007, the 2013 increase to a 39-hour week was a particularly severe blow for the nursing profession. The submission goes on to say that the move to 37.5 hours in 2007/2008 was done on a cost neutral basis and that a verification process took place to validate costneutrality.

The submission states that the notion that increasing the hours for each individual nurse or midwife will translate into an equivalent increase in actual nursing and midwifery hours available to the health service, has proven to be optimistic and simplistic.

The submission further states that the introduction of additional hours was counterproductive and accelerated part-time working requests when burnout, early departure, ill health and voluntary reduced working hours are taken into account.

Other Health Grades

The submission states that in the case of radiographers, radiation therapists, medical scientists and phlebotomists, the weekly working hours increased from 35 to 37 per week. Recruitment restrictions limited the use of the additional hours

within radiology, and departments added 24 minutes to each working day which did not result in additional patients being seen and emergency service provision was not impacted.

Additional working hours for radiation therapists were incorporated into the roster and the submission puts forward the view that restoration of these hours would not involve significant costs.

The submission states that additional work undertaken in phlebotomy can be accommodated following the restoration of the additional hours.

Clerical/Administrative Staff

The submission states that, in general, the weekly working hours for Clerical and Administrative staff increased from 35 hours to 37. For those with a working week of less than 35 hours, 2 hours and 15 minutes was added to the working week.

Management

The submission states that the HRA increased the working week for Management grades to 37 hours and that the adjustments were applied to the working day. However, the submissions to the Independent Body by both sides recognised that, in practice, staff who hold management positions frequently work in excess of contracted hours without additional payment.

Health and Social Care Professionals

The submission states that the HRA increased the working week for Health and Social Care Professionals to 37 hours, and that the adjustments were applied to the working day. The submission further states that in practice, many staff in these grades frequently work beyond the 37 hour ceiling without additional payment.

Summary of Psychiatric Nurses Association (PNA) Submission

The PNA highlight that the move to a 39-hour working week under the HRA followed the outcome of a previous dispute that had reduced the working week of their members to 37.5 hours in 2008. In the PNA submission, it is argued that this had little impact on service delivery and development, due to the moratorium on recruitment and ongoing issues with staff retention.

The submission states that the HRA hours adversely impacted on members' family lives and increased childcare costs. In some cases, staff remained on a 37.5 hour working week, opting instead for pay adjustments, while others used annual leave to offset these increased childcare costs. Combined with staff shortages, the PNA state that the additional hours resulted in burnout and attrition among their members.

The additional hours were implemented by accumulating hours owed to the system, or in most cases, by revising existing rosters. This resulted in 78 additional working hours per year for all nursing grades within Mental Health Services. The PNA state that the reduction to 37.5 hours will result in a deficit of 395,850 hours (or 203 FTEs), with these hours expected to require replacement in 60% to 65% of cases (i.e. an estimated 122 to 132 FTEs to cover 24/7 services). The submission states that this would be achieved through overtime, agency staff or the use of "bank" nurses. In some instances, a reduction in hours may also require a revision to rosters.

The submission also states that the HRA hours have had an adverse impact on recruitment and retention in the sector, making it harder to compete with other jurisdictions for nursing staff (e.g. the UK, Australia and Canada).

Summary of Irish Dental Association (IDA) Submission

The IDA state that the HRA hours have had a major impact on members' work-life balance, and that there is a gender dimension to this impact, as most dentists working in the public service are female and have caring responsibilities.

The submission highlights that, prior to the HRA, different lengths of working week existed across the country, ranging from 32.5 hours to 35 hours, and that a significant number of members were required to work hours believed to be in excess of HRA requirements (e.g. some staff under local arrangements were working 33 hours per week, and had this increased to 37 hours). The IDA state that the maximum working week should be 35 hours, and that the additional working time has made the public service a less attractive place for dentists to work, contributing to issues of recruitment and retention.

In the main, the IDA submission states that the HRA hours have been discharged in clinical duties. The IDA propose that, if the standardisation of working time is achieved, a once-off payment should be made to compensate those who previously worked less than 35 hours. In addition, the IDA propose that no member should have to forfeit salary in order to revert to a 35 hour working week, and that any member who previously reverted to pre-HRA hours on the basis of a pay adjustment, should have their pay restored or their working hours reduced.

Background and Context

HSE Numbers and Pay Bill

The health sector is the largest employer in the public service. There were 126,174 employees (FTEs) at the end of 2020. This represents 36% of total public service employment.

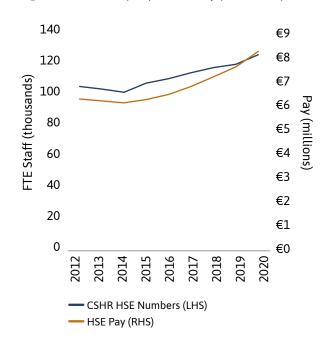
Staff numbers have varied significantly over the past decade through a combination of a strict moratorium on recruitment and other budgetary constraints followed by an upward trajectory reflecting the increased volume and complexity of demands for additional health and social care services.

For example, the recruitment and promotions moratorium resulted in a reduction in the number of employees in the public service to 101,494 in 2014 but this was not matched by a corresponding reduction in demand placed on the public health service generally.

Since the moratorium was removed the numbers employed to deliver health and social care services have increased by 24.3% to the end-2020 level of 126,174 FTEs, as additional services were put in place to protect the vulnerable, provide appropriate care settings for those who are sick and in need of hospitalisation and treatment, as well as comfortable settings for an ageing population.

In fact the pressure and demands to make greater provision for health and social care services continues as a result of the current pandemic. The pandemic is first and foremost a crisis of public health, and health sector staff have been at the forefront of the public service response to this crisis. The sector has operated under enormous pressure in managing the public health response to the pandemic, and the extraordinary efforts of front-line staff in hospitals and other settings, in extremely trying circumstances, have mitigated the worst effects of the crisis.

Figure 4. HSE Staff (FTE) vs HSE Pay (2012-2020)



Source: Department of Health data

Staff Numbers by Grade Category

Staff numbers have increased across all categories since the lifting of the moratorium (see Table 4). Between Q4 2013 and Q4 2020, there was a consistent increase in Nursing and Midwifery staff numbers, in that period the number of staff increased by 18% while the number of Medical and Dental staff grew by 28%. Nursing and Midwifery makes up the single largest staff category, accounting for approximately one-third of the total HSE workforce in 2020, and 11% of total public service employees.

Overall, approximately two-thirds of health sector staff are working the HRA hours (i.e. 81,845 of a total 126,176 FTEs). Among the main groups not impacted by the additional hours are Non-consultant Hospital Doctors (NCHDs) and those employed in Other Patient and Client Care roles.

Health Service Pay Bill

Since 2014, the Health Service pay bill (included under Vote 38) has also been steadily increasing, reaching €8.2 billion in 2020 (see Figure 4) This accounts for approximately 41% of the total gross public service pay bill (of €20.3 billion). This increase is a consequence of increases in HSE staff numbers and the restoration of pay rates through various Public Service Agreements. The pay expenditure data for 2020 shows continuing growth across all pay types and staff categories.

Pay Bill Costs - Agency and Overtime

Despite increases in staff numbers across all categories, the HSE continues to rely on agency staff and overtime arrangements, in particular in the Medical and Dental and Nursing and Midwifery cohorts (see Figure 5)

Table 4. Change in HSE Staff by Grade/Category (FTEs) 2013 vs 2020

Grade	Q4 2013 FTE	Q4 2020 FTE	Difference			
Grades with additional hours						
Management & Administration	15,503	19,829	+ 4,326 (28%)			
Medical & Dental (excl. NCHDs)	3,346	4,292	+ 946 (28%)			
Nursing & Midwifery	33,768	39,917	+ 6,149 (18%)			
Health & Social Care Professionals	15,844	17,807	+ 1,963 (12%)			
Total	68,461	81,845	+13,384 (20%)			
	Grades with no change	in hours				
General Support	9,695	9,876	+ 181 (2%)			
Other Patient and Client Care	20,417	26,985	+ 6,568 (32%)			
Non-Consultant Hospital Doctors	5,007	7,470	+ 2,463 (49%)			
Total	35,119	44,331	+ 9,212 (26%)			
Overall Total	103,580	126,176	+ 22,596 (22%)			

Source: DPER Databank and Department of Health data.

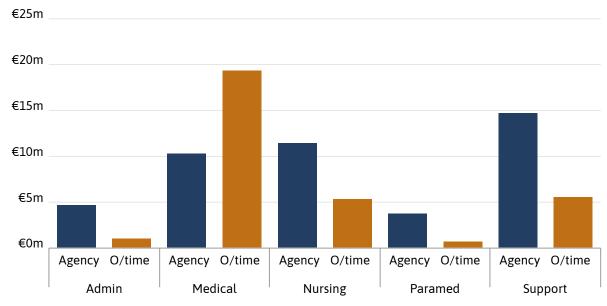


Figure 5: Total Agency and Overtime Pay for Various Cohorts in 2020

Source: HSE

A recent IGEES spending review paper²⁵ found the following in relation to factors affecting agency and overtime expenditure in the Health Service:

- "Expenditure on agency and overtime has risen more sharply than the average wages over the course of 2012 to 2019. This suggests that the amount of hours of agency and overtime has increased, pointing to a growing reliance on agency and overtime to deliver healthcare.
- While national trends show almost continuous increases from 2015 to 2019 across staffing levels and agency and overtime expenditure, trends across the six service areas vary considerably.
- Acute Services has seen larger increases in FTE over the period studied than the other service areas, increasing by 24% from 2013 to 2019. Acute Services also show the lowest average annual percentage growth (5%) of agency expenditure when compared with other service areas. This may indicate that higher levels of staffing are helping to offset the need for agency staff in this setting, supporting the idea that growth in agency usage is driven by staff shortages.
- Other than Acute Services, all other service areas showed low levels of staff growth and higher average growth in agency expenditure over the

period studied. This relative stagnation of FTE growth in certain areas may be driving the need for agency staff.

 This research found that there is a lack of data related to activity in the community setting and conclusions on the relationship between rising agency and overtime trends and healthcare demand could not be drawn. There is a need for greater activity data to be collected in the community setting and development of activity measures linked to staffing input would greatly aid further research into this topic."

Overtime, agency and premia payments make up a large percentage of the overall pay bill in the Health Service, with the Employer stating that these categories of pay accounted for 19% (or €1.5 billion) of the total health pay bill in 2020.²⁶

Agency staff

In 2019, total agency costs were €423 million, increasing to €448 million in 2020 (a 5.8% year-on-year increase).²⁷ This is the equivalent of 5% of the total HSE pay bill in 2020, over €1.2 million per day spent on agency and locum staff.

²⁵ Hanney E, and C. Doyle, Factors Affecting Agency and Overtime Expenditure in the Irish Health Service, IGEES Spending Review 2021, November 2021.

²⁶ Employer submission.

²⁷ Report for Joint Employment Control Monitoring Group, December 2020.

Increases in the agency spend were seen across almost all categories of staff in 2020. This is a concern as reliance on agency staff imposes significant additional costs on employers. In addition to pay, this cost is comprised of VAT and a fee that must be paid to the agency itself for sourcing the staff. The HSE estimates that the use of agency staff currently imposes additional costs of approximately 30% on top of the basic wage.²⁸

Overtime

In 2019, total HSE overtime costs were €293 million, increasing to €318 million in 2020 (8.6% increase in overtime spend in one year).²⁹ While this can partly be accounted for through increased demand for healthcare services as a result of the COVID-19 pandemic, this does represent part of a trend of increasing spending on overtime that has been seen in the last number of years. The HSE estimates that the use of overtime to replace the HRA hours would impose additional costs of approximately 50%³⁰ when compared to replacement *via* recruitment of additional FTEs.

Overtime will also become more costly if overtime divisors are changed to reflect a reduced working week. The Employer estimates that an additional cost of €4.1 million would be incurred to fund existing levels of overtime (based on 2020 levels) from a reversion to pre-HRA overtime divisors.

Previous change in Nursing and Midwifery hours

Effective from 1 June 2008, weekly working hours for Nursing and Midwifery grades were reduced from 39 to 37.5 hours. As part of the recommendation by the National Implementation Body, this reduction in hours was to be achieved on a cost neutral basis, and without any diminution of patient care. In practice, representatives from the HSE have indicated that this recommendation was facilitated by a range of different measures, including the lengthening of staff breaks and the shortening of hand-over times between shifts.

The Employer submission to the Independent Body states that, should there be a reduction in working time for Nursing and Midwifery grades, there would be a requirement to revisit the productivity measures which were successfully employed when hours were previously reduced in 2008.

End-2020 Position

Overall, at the end of 2020, of 126,176 FTEs in the Health Service, there was an estimated 81,844 FTEs required to work the additional hours, with an estimated volume of 7.27 million additional hours on an annual basis.

Table 5. Health sector at end-2020: FTEs working the additional hours, estimated pay costs, estimated volume of additional hours

Grade Category	Pre-HRA Hours (Net)	Post-HRA Hours (Net)	FTE	Estimated Pay Cost	Annual Additional Hours
Management & Administrative	35	37	19,829	€1,029,675,000	1,863,926
Medical & Dental*	37	39	4,291	€916,741,970	446,264
Nursing & Midwifery	37.5	39	39,917	€2,644,910,000	3,113,526
Health & Social Care Professionals	35	37	17,807	€1,006,069,000	1,851,928
Total			81,844	€5.6 billion	7.27 million

Source: IHB workings, based on HSE data.

Notes. *Excludes Non-consultant Hospital Doctors (NCHDs), as this cohort already had a 39 hour working week prior to the HRA. Of the 126,176 FTEs in the Health Service, 81,844 of these are working the additional hours, while the remaining 44,331 are not impacted.

²⁸ Costings accompanying Employer submission.

²⁹ Report for Joint Employment Control Monitoring Group, December 2020.

³⁰ Costings accompanying Employer submission.

Overview of the application and administration of the HRA hours

In its submission, the Employer estimates that in 2021 alone, the additional hours in the Health Service will amount to over seven million hours of public service delivery. This figure is expected to increase further in line with planned recruitment in the coming year.

Following the HRA, weekly working hours for consultants, administrative grades, and Health and Social Care Professional grades increased from 35 hours to 37 hours, while Nursing and Midwifery grades increased from 37.5 hours to 39 hours. Other staff categories such as NCHDs, where the working week was already 39 hours, did not have an increase in working hours.

For those staff who experienced increases in their working hours, the additional hours were typically implemented either through an extension of the working day or as increases in the number of shifts worked per year. For example, frontline Nursing and Midwifery grades worked, on average, an additional six-and-a-half 12-hour shifts per year.

A small number of staff opted to remain on pre-HRA hours (with a consequent reduction in pay), however, these represent a very small minority of staff. For example, the Employer estimates that only 168 nursing staff opted to remain on pre-HRA hours.

The Employer states in its submission that the additional hours are now deeply and structurally embedded in the system, in particular in those grades which have seen changes to rosters. They state that the additional hours have been used to maintain services that would otherwise have been curtailed due to recruitment restrictions and funding cutbacks. The Employer submission indicates that they have also contributed to improved public service delivery through, for example:

- Reduced waiting lists through the provision of additional medical interventions;
- Maintaining high levels of service delivery in the context of demographic driven increases in service users (e.g. an aging population and high birth rate);
- Extended opening hours for public facing services including Hospital Clinics; and

 Increased availability of out of hours services e.g. Radiography and Medical Scientists.

The submission also states that the additional hours have been crucial in delivering the Health Service's response to the COVID-19 pandemic. For example, the Employer highlights that the extra working time facilitated the reassignment of health staff to match increased demand for services across hospital sites and geographic areas.

The Employer submission also states that these hours have covered absences due to maternity leave in Nursing and Midwifery grades, and have been used to support the introduction of 8am to 8pm working for Medical Scientist and Radiography grades. The submission goes on to say that, at any one time, 4% of Nursing and Midwifery grades employed by the HSE are on maternity leave, and 4.5% of frontline staff are on sick leave. The additional hours have helped to fill the gaps arising from such absences.

The submission also argues that, as it is unlikely that all hours can be replaced through recruitment, the removal of these hours will result in increased overtime and agency costs.

As stated earlier, the ICTU supplementary submission to the Independent Body states that while the Employer submission leans on the pandemic as a yardstick measurement of need, this is not a regular measurement gauge. The real issue from their perspective is the need for a properly resourced integrated healthcare system, and that a restoration to pre-HRA hours would have minimal effect on the system.

Operational, administrative, and service-delivery implications of a reduction in working hours

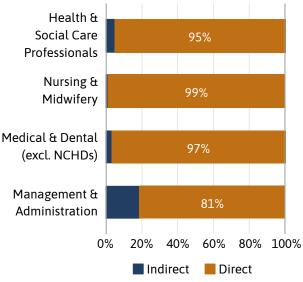
As is the case for other sectors, the impact of any reduction in working time for staff in the Health Service should be understood in terms of the implications for direct versus indirect service delivery.

In the context of the Health Service, direct services refer to frontline services including those that involve the direct provision of care to patients (e.g. Nursing and Midwifery), while indirect services refer to those that support the HSE more

broadly, including for example, Management and Administrative grades.

The Employer submission reports that the vast majority of the additional hours introduced under the HRA are allocated towards the provision of direct services. This can be seen in Figure 6 below. In line with these figures, the Employer argues that any reduction in working time provided for through a reversal of the HRA hours, would need to be replaced in order to avoid significant, negative effects on service delivery. It is important to note that Management and Administrative staff while generally involved in the provision of indirect services, play a key role in enabling direct services.

Figure 6. Proportion of additional hours employed in the delivery of direct vs indirect services



Source: IHB workings, based on information contained in the Employer submission to the Independent Body.

In characterising the impact of a reduction in working time in the Health Service, the Employer submission describes longer waiting lists for patient access to Consultants, with fewer numbers of patients being seen, reductions in the number of elective surgeries, reduced clinic times, administrative challenges associated with the reorganising of rosters for rostered grades, and greater costs associated with overtime and agency payments.

This is already occurring at a time during which the Health Service is under unprecedented strain, from the ongoing impact of both COVID-19 and the cyberattack, all of which has contributed to a backlog

in patient presentations and elective surgical procedures.

In order to minimise the impact of any change to current working arrangements and to ensure the continuity of services, the Employer states that sufficient time to replace the lost capacity will be needed.

In their submission to the Body, ICTU state that for some medical practitioners (e.g. radiology), where 24 minutes was added to the end of the working day, returning the additional hours will not impact on the number of patients they see, as the increased hours did not result in additional patient through-put. The submission further states that there is no evidence of productivity gains or savings arising from the HRA hours in non-clinical health roles. The submission goes on to say that existing flexibilities ensure that the necessary work is done on the basis of public service-wide practices.

ICTU state that the increased staffing required to deliver the level of 5/7 services that the HSE aspires to, far outweigh any benefit gained from the HRA hours. The submission gives the example where, as part of the hospital pharmacists' review, unions have agreed in principle to 5/7 cover, but that "traditional core hours are already spread too thinly to apply this within existing resources".

The submission states that blended working in clerical, administrative and other areas has demonstrated significant scope to increase productivity and absorb any effect of the restoration of pre-HRA hours. Senior managers and other staff regularly work way in excess of their contracted hours without entitlement to overtime, with ICTU stating that "here a reduction in hours, would in reality, occur in name only".

The PNA submission states that the reduction to 37.5 hours will result in a deficit of 395,850 hours (or 203 FTEs), with these hours expected to require replacement in 60% to 65% of cases (i.e. an estimated 122 to 132 FTEs to cover 24/7 services). The submission indicates that this would be achieved through overtime, agency staff or the use of "bank" nurses. In some instances, a reduction in hours may also require a revision to rosters.

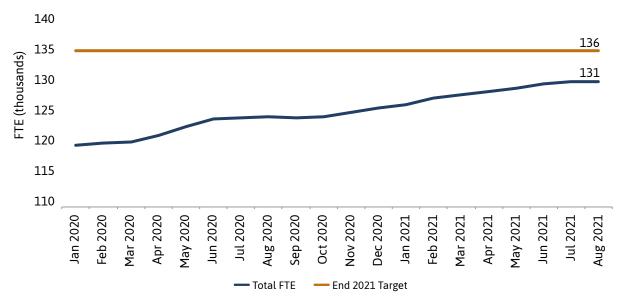
Recruitment Challenge

The growing demand for healthcare services, and the corresponding need for increasing numbers of healthcare professionals to meet this demand, is not expected to diminish in the medium to short-term. The Health Service is expanding their workforce at record levels in order to attempt to meet this demand and alleviate pressure on the system.

Budget 2021 provided for an additional €4 billion over the 2020 allocation for the health sector. It provided funding to expand the workforce by an additional 16,000 s FTEs over 2020 levels. However, the HSE state that the lack of supply, especially in certain grades, is posing a major challenge and impacting on the ability to meet recruitment targets. As of August 2021, they were 5,000 FTEs short of their end-2021 recruitment target (see Figure 7 below).

In particular, the Employer emphasises the challenges that they are currently facing regarding the recruitment and retention of nurses and midwives. The turnover rate for nurses and midwives in 2020 was 6.4%.31 The 2018 Report32 of the Public Service Pay Commission did not consider that the national turnover rate for nurses and midwives at 6.8% was an indication of a generalised retention crisis. The HSE advise that they have introduced a number of initiatives to increase recruitment of the Nursing and Midwifery cohort, including offering full-time, permanent positions to all nurses and midwives upon graduation, as well as increasing efforts to recruit staff from abroad. However, recruitment issues remain and are a key factor contributing to the reliance on agency staff and overtime payments for the Nursing and Midwifery cohort.

Figure 7: Expansion of the HSE Workforce, January 2020 to August 2021



Source: DPER data and HSE National Service Plan 2021.

In the Employer submission to the Independent Body, it is suggested that a reduction in the HRA hours would add significantly to this recruitment challenge. The Employer advises that it is unlikely that the additional hours could be replaced through recruitment given the ongoing difficulties with current recruitment requirements.

³¹ Health service turnover is distorted by the multiplicity of employers and HSE payrolls, where staff leaving one employer but remaining within the service are included in the statistics, see: https://www.hse.ie/eng/staff/resources/our-workforce/workforce-reporting/health-sector-workforce-turnover-2020.pdf.

³² Public Service Pay Commission, Report of the Public Service Pay Commission - Recruitment and Retention Module 1, August 2018.

At the end of September 2021 the numbers in Nursing and Midwifery were 40,983 FTEs,³³ an increase of 5.1% on the previous peak of 39,006 FTEs in 2007.

The Department of Health and the HSE have expressed serious concern over the ability to meet the growing demands for healthcare in Ireland and deliver on Sláintecare reforms in the absence of the HRA hours.

In their submission to the Independent Body, ICTU states that the "Sláintecare initiative envisages significant increases in personnel across a range of professions and grades. In this context, the reorganisation of services, accompanied by flexibilities and innovation, can ensure the delivery of more and better quality public services without depending on unilateral changes to contractual arrangements, which had previously been negotiated and agreed through collective bargaining, typified by the additional HRA hours".

Overview of Key Reforms in the Health Service since 2013

Sláintecare

Sláintecare is a 10-year Government programme which aims to transform Ireland's health and social care services. It has a vision to "achieve a universal single-tier health and social care system where everyone has equal access to services based on need, and not ability to pay".³⁴

The Sláintecare Report was published in 2017 and Government approved the first Sláintecare Implementation Strategy in 2018. This set out a number of actions to be taken in the first three years of the implementation process. A series of more detailed Action Plans and Progress Reports have since followed.

The mid-year progress report for 2021 was published in September 2021. The report contains a total of 112 deliverables, of which 109 are on track or have been progressed.³⁵

At the time of drafting this Report, health sector management were involved in negotiating a new contract for Hospital Consultants. Known as the Sláintecare contract, the contract is a key part of the proposal to ultimately remove private care from public hospitals but has not yet been agreed upon. The Independent Body understands that these negotiations are continuing.

Building Momentum - Health Sector Action Plan

The Health Sector Action Plan supports key reforms in the sector and focuses on the continued implementation of Sláintecare, the Capacity Review 2018 and other major health reforms. This plan also includes structural reforms and the continued implementation of the Framework for Safe Nurse Staffing and Skills Mix.

Response to Covid-19 Pandemic

A flexibility of approaches and resources enabled the health system to integrate and rapidly respond to public health guidance and COVID-19 case surges. This flexibility ensured that the right people and resources were deployed to the areas of greatest need.

Some key enablers of the integrated response to Covd-19 were:

- Over 700 additional acute care beds: Increase in acute capacity with additional acute, HDU and ICU beds. Supports for timely discharge from acute hospitals through both intensive home care packages and residential placements;
- Over 500,000 virtual consultations, Telehealth solutions have been deployed for virtual consultations, mental health supports and remote monitoring of COVID patients.
- More than 4.7 million tests analysed: COVID-19
 testing is conducted through community testing
 centres, acute hospitals and at home via the
 National Ambulance Service. Serial testing
 has been completed across more than 2,000
 residential centres.

³³ HSE, Health Service Employment Report, September 2021.

³⁴ Department of Health, About Sláintecare, Gov.ie, accessed October 2021.

³⁵ Department of Health, Sláintecare: Progress Report January – June 2021, Sláintecare Implementation Strategy & Action Plan 2021 – 2023, September 2021.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the health sector and has found the following:

- Since 2014 the numbers employed in the health sector have increased by 24.3%. At end-2020, there were circa 81,844 FTEs performing the additional hours in the health sector with an estimated volume of 7.27 million additional hours, annually.
- A wide ranging programme of reform and modernisation has taken place since the introduction of the HRA hours in 2013. The continued implementation of Sláintecare, the Safe Staffing Framework and Building Momentum provide the health sector with the tools to build on that flexibility and reform agenda.
- The health sector has responded in a pro-active and flexible manner to the continuing and changing demands made on it by COVID-19 and the HSE Ransomware attack demonstrating its commitment, flexibility and agility in delivering quality public services. The innovative methods employed during this time will have long term benefits for the Health Service.
- The Independent Body is of the view that the role of healthcare staff in the totality of our healthcare system can best be recognised by restoring the HRA hours at the earliest possible date, which the Body considers to be 1 July 2022.
- As stated in the Employer submission, due to the challenges facing the health sector, a reasonable lead in time is required to implement reductions in working hours, and these hours will need to be replaced in certain areas e.g. front-line services, rostered work, and 24/7 services.
- The Independent Body notes that a reduction in working time for management grades in the health sector would not have a material impact on this cohort, considering that they regularly work in excess of the hours requirement.
- Health sector management are involved in negotiating a new 'Sláintecare Contract" with Hospital
 Consultants and therefore the Independent Body is not making any recommendation in respect of
 this group.
- The international shortage of healthcare staff continues to present a challenge, including for nursing grades. However, it is considered that the reduction in working hours proposed by the Independent Body will assist in making employment conditions more attractive.
- The Independent Body notes the range of approaches taken to ensure that the reduction in Nursing
 and Midwifery hours in 2008 was to be achieved on a cost neutral basis and without adversely
 impacting on patient care. The Body believes that there may be scope to revisit these approaches
 in implementing the recommendations set out in this report. This may help to mitigate some of the
 fiscal and administrative challenges that may arise in implementing these recommendations.

6.2 Civil Service

Summary of Employer submission

The Employer submission states that the unwinding of the additional hours would have clear implications for the delivery of services across the sector, with the extra working time having being used to deliver core business. The additional working time is perceived by management as key to the delivery of new services.

The submission states that the additional hours have contributed to positive reform across the sector, including in the evolution of core functions and the development of new service delivery models. The submission highlights the rapid digitalisation that the sector has undergone since the onset of the COVID-19 pandemic in March 2020, with a greater need to support the public via the provision of online services, leading to increased demands on available resources. Any reduction in hours, it is argued, would have a particularly detrimental impact on services relating to rostered grades, with current shift patterns based on a working week of 37 hours.

The submission highlights both the financial cost of replacing the lost time (via the recruitment of an estimated 2,591 additional FTEs across the Civil Service) as well as the logistical and administrative costs of managing the impact on existing rosters or shift-patterns. Furthermore, the Employer submission highlights that any change in the overtime divisor, that would reflect a reduced working week, would lead to an additional overtime cost.

Summary of ICTU submission in relation to the Civil Service

The submission by ICTU states that that the vast majority of higher-paid Civil and Public Servants have seen the full restoration of HRA pay cuts, while their lower-paid and middle-income colleagues are still required to work the additional hours, and that this is a "significant drag on morale and goodwill across the public services".

In response to the Employer submission, ICTU's supplementary submission states that the reorganisation of work in some Civil Service departments was achieved through ongoing change programmes and is unrelated to the HRA hours.

The ICTU submission also states that, in order to facilitate social distancing during the Covid-19 pandemic, some Civil Service departments, including the Department of Social Protection (DSP), temporarily reduced the working day to seven hours from seven hours and 24 minutes. The submission claims that productivity levels were at an all-time high during this time.

Background and Context

The number employed in the Civil Service has grown significantly since 2013. At the end of 2020, over 42,000 FTEs were employed across the sector, an increase of 23% on 2013. In addition, the overall volume of Gross Voted Expenditure that the sector is tasked with administering was significantly larger in 2020 than in 2013, at €84.5 billion versus €54.4 billion (an increase of 55%).

Table 6 compares the number of FTEs by Vote Group in 2013 and 2020. It is important to note that Table 6 includes all serving Civil Servants (i.e. including those that are not required to work additional hours under the HRA).

As shown, most Civil Servants work in large operational organisations, such as the DSP, the Department of Agriculture, Food and the Marine (DAFM), or the Office of the Revenue Commissioners which is under the aegis of the Finance Vote Group. Of the 7,167 FTEs attached to the Finance Vote Group in December 2020, 93% of these were assigned to Revenue. Relative to 2013, Housing, Planning and Local Government, and Children and Youth Affairs, have seen the most significant increase in FTEs, by 139% and 172% respectively.

Table 6. FTEs by Vote Group, 2013 vs. 2020

Vote Group	FTEs 2013	FTEs 2020	Change
Justice	9,070	10,697	18%
Finance	6,285	7,167	14%
Employment Affairs & Social Protection	6,584	6,428	-2%
Agriculture, Food and the Marine	3,087	3,574	16%
Public Expenditure & Reform	1,492	2,742	84%
Foreign Affairs	1,359	2,439	79%
Taoiseach	1,745	2,289	31%
Education & Skills	1,490	1,930	30%
Housing, Planning & Local Government	746	1,785	139%
Business, Enterprise & Innovation	796	878	10%
Health	345	595	72%
Transport, Tourism & Sport	455	535	18%
Communications, Climate Action & Environment	248	393	59%
Children & Youth Affairs	137	372	172%
Defence	340	357	5%
Culture, Heritage & the Gaeltacht	529	339	-36%
Rural & Community Development	N/A	197	N/A
Total	34,707	42,715	23%

Source: IHB workings, based on data obtained from DPER.

Notes: Transfers of functions between Government Departments may have impacted on the changes reflected in this table. The Justice Vote Group includes Prison Officer Grades. Rounding may affect totals.

End-2020 Position

Table 7 contains data summarising the position of the Civil Service at the end of 2020, in terms of FTE numbers, annual pay expenditure, and estimates of the volume of additional hours worked. Overall, at the end of 2020, there was an estimated 38,264 FTEs in the Civil Service required to work additional hours under the HRA, with an estimated volume of 4.05 million additional hours on an annual basis.

Table 7. Civil Service at end-2020: FTEs working the additional hours, estimated pay costs, estimated volume of additional hours

Grade (Salary Band)	Pre-HRA Hours (Net)	Post-HRA Hours (Net)	FTE	Estimated Pay Cost*	Annual Additional Hours
Total Management (AP and above)	34.75	37	6,960	€638 million	736,021
All Other Grades	34./3		31,304	€1.37 billion	3,310,399
Overall Total	2 hours, 15 minutes		38,264	€2.01 billion	4.05 million

Source: IHB workings based on data obtained from DPER.

Notes: Pay costs include the application of a blended rate of employers' PRSI. This table excludes Prison Officer Grades who were not encompassed by this measure. Approximately 394 FTEs across the Civil Service opted to remain on pre-HRA hours with a commensurate pay reduction. Data rounded to the nearest whole number.

Overview of the application and administration of the HRA hours

For Civil Servants, the HRA increased the length of the working week, on a net basis, from 34.75 hours to 37 hours (an increase of 2 hours and 15 minutes) and increased the divisor for overtime from 41 hours to 43.25 hours. For staff involved in administrative work in a traditional office environment, the extra time was added to the length of the working day or week.³⁶ For those involved in rostered or shift work, the additional time was added to pre-existing rosters or shift patterns.

While the additional hours applied to all grades in the Civil Service, in their submissions to the Independent Body, both Employer representatives and Union officials acknowledged that senior managers regularly work in excess of their contracted hours, and that a reduction in working hours would not have a material impact on these grades. Officers at this level work to complete the task at hand.

In their oral submission to the Independent Body, public service employers stated that for many Civil Service bodies, the additional hours helped to mitigate against the impact of reductions in FTEs that took place during the moratorium on public service recruitment between 2009 and 2014.

In a presentation to the Independent Body, Civil Service Management stated that over the last eight years the additional working hours have delivered services and supported the reform agenda through the following measures:

- Standardisation of work hours;
- · Extended opening hours of offices;
- Introduction of normative shift and roster patterns;
- Embedded with reformed work practices and revised leave policies resulting in modernisation of the Civil Service work environment:
- · Support the transition to online services; and
- Enabling a flexible response to the demands of maintaining / increasing services during the COVID-19 pandemic.

In a supplementary submission in response to the Employer submission, ICTU states that the HRA did not establish any process to measure or assess the productivity impact of the HRA hours or any impacts on costs or service delivery. The submission states that in the Civil Service, the management assessment that replacing the HRA hours would require 2,500 additional civil servants does not stand up to scrutiny, and that the reorganisation of work in areas like the DSP arose from ongoing change programmes unconnected to the HRA hours.

Examples of the use of HRA hours

The Employer submission set out some specific examples of how the additional hours were used to deliver/maintain key services in the Civil Service. These are set out below:

Department of Social Protection (DSP)

- The additional hours enabled the DSP to develop its engagement with working age customers to support increased employment while maintaining income supports;
- The extra working time also supported the DSP in managing the increased demand for central schemes, with the number of claims increasing annually for the State pension and payments to carers, due to changing demographics;
- The DSP was responsible for the administration of emergency income supports for those made unemployed as a result of the administrative restrictions that were imposed to curb the spread of COVID-19. The number of recipients of the PUP peaked at over 600,000 people. Against the backdrop of unprecedented unemployment numbers, DSP established the National Processing Team, to support online decision-making in respect of jobseeker payment claims.

Office of the Revenue Commissioners

 The extra working time underpinned the structural realignments and digital advances that have taken place in the years since the HRA was agreed (e.g. the PAYE modernisation project). The additional hours provided Revenue with the flexibility and capacity to diversify;

³⁶ Circular 11/2013 sets out the application of additional working hours in the Civil Service. See: https://circulars.gov.ie/pdf/circular/per/2013/11.pd

 Debt warehousing initiatives and business support schemes (including wage subsidy programmes like the Employment Wage Subsidy Scheme (EWSS) and Temporary COVID-19 Wage Subsidy Scheme (TWSS)) were administered by Revenue and formed a key part of the national response to the COVID-19 emergency.

Operational, administrative, and service-delivery implications of a reduction in working hours

Reflecting the variety of ways that the additional hours have been used across the Civil Service, the potential impact from any reduction in working time likely varies considerably by office or department.

In a presentation to the Independent Body, the Employer set out the following implications for the Civil Service if working time is reduced:

- Compromise of work patterns and reduced flexibility;
- Reduction in capacity to respond to service needs;
- Diminution of existing services to the public which account for up to 40% of work hours e.g.;
 - » Department of Social Protection Intreo, PUP, Jobseekers;
 - » Revenue organisational reform and modernised public service; and,
 - » Ports roster reorganisation required
- An average reduction in hours by 2 hours and 15 minutes would drive overtime and the proportion of overtime hours.

The ICTU position is that public opening times or service delivery would not be impacted in the way described in the Employer submission, and that there is no evidence of any requirement for significant numbers of additional staff if pre-HRA arrangements are restored, including in areas that feature shift work.

To illustrate this point, ICTU state in their submission that Civil Service departments, including the DSP, temporarily reduced the working day for those attending the office during the Covid-19 pandemic, largely to facilitate social distancing. The submission states that during this time productivity levels were at an all-time high.

Implications of a reduction in working hours in the Department of Social Protection (DSP)

DSP management anticipates that any reduction in hours would have a consequent reduction in productivity, and could lead to longer processing times for claims, or other negative customer service impacts. The Department estimates that up to 4,785 staff (76% of total staff) are working directly on DSP schemes, and 1,508 are working on support services, policy and control.

While the DSP has seen a period of accelerated digitalisation arising from the COVID-19 pandemic, management emphasises that some customers continue to rely on face-to-face engagement in the form of Intreo Centres, dealing with Community Welfare, and Activation. These staff are all front-line. In addition, the Department's digitalisation programme is at an early stage, and while COVID-19 brought many claims application procedures online, the processing of these claims remains a paper-based process.

The DSP claims that a reduction in working time without the recruitment of replacement staff, would see an increase in the requirement for overtime to maintain services. In general, management characterises the implications of a reduction in working time as impacting current service levels against an ever-expanding customer base, while also impacting future departmental plans, including plans to move to a 24/7 basis, from 24/5 operations, in the Department's ISD.

The DSP estimates that approximately 382 additional staff (6% of 2020 serving numbers) would be required if the HRA hours were removed. The Department claims that the introduction of these hours allowed it to continue providing important services against reductions in FTE numbers during the moratorium, and that, as a result, there was no additionality arising from the extra working time.

Implications of a reduction in working hours in the Office of the Revenue Commissioners

Revenue management state that the impact of a reduction in the hourly work requirement will impact very significantly on areas with rostered or shift working arrangements – at present, shift patterns are based on the current length of the working week (i.e. 37 hours). Revenue estimates that approximately 400 additional staff (6% of 2020 serving numbers) would be required if there was a return to pre-HRA working time.

Shift operating locations operate on a teams-based approach, with health and safety protocols factored into staffing requirements. A reduction in working hours is expected to result in a reduction in team members availability, impacting on the capacity for service delivery on a 24/7 basis. For large operational areas, there is a concern among management that a reduction in working time could impact customer service functions or compliance activity, particularly if this time is not replaced.

In more general terms, management outlines the potential ramifications for the flexibility and agility of the organisation from a reduction in the hourly work requirement. There is a concern that this would have implications for the strategic focus of the Office, and for efforts to refresh technology, and to optimise the effectiveness of the organisation as a tax and customs administration.

The submission from ICTU states that the evidence from the pandemic period strongly indicates that significant and improved productivity is possible over a shorter working day, and that it is not correct to say that service delivery and public opening hours would be impacted as described in the Employer submission. The ICTU submission goes on to say that most Government departments would value cooperation with organisational and technological change over additional hours, and that digital advancements are also leading to greater productivity, with no relationship to additional hours.

Overview of Key Reforms in the Civil Service since 2013

Overall, in the time since the additional hours were introduced, the Civil Service has undergone significant reform. The first Civil Service Renewal Plan was launched in 2014, with the final progress report published in May 2019.³⁷

The development of the next Renewal Plan is underway. The Minister for Public Expenditure and Reform launched the Civil Service Renewal 2030 Strategy in May 2021.³⁸ Flexibility and adaptability to new work forms, and the use of technologies, will be key aspects in delivering the necessary reforms for a modernised Civil Service.

Building Momentum Action Plan

The Building Momentum Agreement aims to harness and build on the spirit of public service agility and delivery demonstrated in the COVID-19 pandemic. The Civil Service Action Plan³⁹ contains commitments to co-operate with a range of reforms across the sector. The reform measures included in the Civil Service plan are grouped under four priorities:

- Improving access to services and increased flexibility in the resourcing model to deliver better services;
- The potential for technology to transform service delivery;
- Flexibility and strengthening capacity; and
- Business/operation/policy changes leading to internal efficiencies.

³⁷ Department of Public Expenditure and Reform, Civil Service Renewal Plan 2014 - Progress Report, May 2019.

³⁸ Department of Public Expenditure and Reform, Civil Service Renewal 2030 Strategy: Building on our Strengths, May 2021.

³⁹ Department of Public Expenditure and Reform, Building Momentum - Civil Service Action Plan, May 2021.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the Civil Service and has found the following:

- Since 2013 the numbers employed in the Civil Service have increased by 23%. At end-2020, there were circa 38,264 FTEs in the Civil Service performing the additional hours, with an estimated volume of 4 million additional hours, annually.
- The Civil Service in responding to the Covid-19 pandemic has demonstrated its commitment, flexibility and agility in delivering public services.
- A wide ranging programme of reform and modernisation has taken place since the introduction of the HRA hours in 2013. Building Momentum provides the framework for the Civil Service to build on that flexibility and reform agenda.
- The ICTU submission states that some Civil Service departments, including the DSP, temporarily
 reduced the working day for those attending the office during the pandemic to facilitate social
 distancing. The submission further states that during this time, productivity levels were at an all-time
 high.
- The Independent Body is of the view that flexibilities and reformed work practices, including those
 following from COVID-19 measures, mean that every additional hour may not need to be replaced.
 The Independent Body notes that a reduction in working time for management grades in the Civil
 Service would not have a material impact on this cohort. However, there are certain areas within the
 Civil Service where any reduction in working time will need to be resourced/replaced e.g. shift work,
 public facing offices and 24/7 services.

6.3 Local AuthoritiesSummary of Employer submission

For local authorities, the Employer submission states that the additional hours have helped in addressing issues arising from headcount reductions experienced across the sector since 2008 (of approximately 20%). The submission also states that the additional working time has allowed services to continue without incurring the cost of premium pay (i.e. allowances and overtime).

The submission outlines that local authorities would have to examine the impact of a reduction in working time at the level of the individual service, with a view to maintaining services on a cost-neutral basis where possible. However, it is acknowledged that circumstances may arise where the substitution of lost time would be required, involving direct costs.

The submission estimates that 50% of working hours are spent in direct service delivery. By the Employer's own estimate, there are over one million additional hours provided on an annual basis as a result of the HRA

The Employer submission also states that there is significant restructuring occurring across local authority service areas, including the water services sector, the library service and the fire service, and that these initiatives would be detrimentally affected by the loss of the HRA hours.

Summary of ICTU submission in relation to Local Authorities

The ICTU submission sets out the categories of Local Authority workers that are subject to the additional hours under the HRA. These include: clerical, administrative and analogous grades, managerial grades, professional and technical grades (including engineering grades), and library staff.

Across the sector, the submission states that most affected staff had their hours increased from 35 to 37 hours per week. For some local councils, the submission outlines that some staff were working below 35 hours pre-HRA, and therefore experienced an increase in excess of two hours (an example is given of certain engineering, professional and technical grades, that experienced increases of 2.5 hours per week). In terms of the administration of the additional working time, ICTU states that the additional hours were scheduled within the scope of the existing flexitime scheme, with no new shifts or weekend working required.

Finally, the ICTU submission states that the continuing application of the headcount moratorium across general operative and related grades (where the working week is 39 hours), continues to impact negatively on the delivery of direct services, and is driving outsourcing across the sector.

Background and Context

Developments in FTE numbers since 2008

Certain grades in the local authority sector did not experience an increase in working time under the HRA; approximately 41% of FTEs working in the sector are deployed in roles that already worked a 39 hour week before the HRA. Generally, these include Firefighters and those employed in Outdoor grades.

The overall numbers employed in the sector declined significantly between 2008 and 2015. Much of the overall decline in FTEs post-2008, occurred in those grades that did not receive an extended working time obligation under the HRA. The average annual fall in FTEs over 2008 to 2015, was 2% for those grades that are subject to the HRA hours, and 4% for all others.

Over 2017 to 2020, there was an increase in FTEs employed in Clerical, Administrative and Managerial roles, and Professional and Technical grades, with an annual average growth rate of 5% and 4% respectively.

In engagement between the Independent Body and representatives from the Department of Housing, Planning and Local Government, and certain local authorities, concerns were raised regarding the uneven impact of a restoration in working time across different local councils. This relates to differences in the resources available to each local authority, and the capacity of each local authority to recruit replacement staff and specialist technical staff. While for certain local authorities, the number of FTEs in grades performing the additional hours are either greater or equal in 2020 compared to 2008, for others, FTE numbers remain substantially below their 2008 level (e.g. Sligo, Clare and Galway County).

It is important to note that these figures should be interpreted in the context of changes in the underlying demand for services in each local authority catchment area, reforms to how these services are delivered, the outsourcing of key services that took place across the sector during this time, as well as boundary changes in respect of certain catchment areas.

New demands are emerging for local authorities in the planning, housing, environment, climate action and transport areas.

End-2020 Position

Table 8 contains data summarising the position of the local authorities at the end of 2020, in terms of FTE numbers, annual pay expenditure, and estimates of the volume of additional hours worked. Overall, at the end of 2020, there was an estimated 16,123 FTEs working the additional hours across the local authorities, performing an estimated volume of 1.5 million additional hours on an annual basis.

Table 8. Local Authorities at end-2020: FTEs working the HRA hours, estimated pay costs, estimated volume of additional hours

Grade	Pre-HRA Hours	Post-HRA Hours	FTEs	Estimated Pay Cost*	Annual Additional Hours
Clerical and Administrative		37	11,432	€553,528,101	1,074,608
Managerial	35		215	€26,474,449	20,210
Professional and Technical			4,476	€300,130,668	420,744
Total	2 hours		16,123	€880 million	1.5 million

Source: IHB workings, based on data obtained from DPER.

Notes: *Pay cost is estimated using data obtained from DPER on the mid-point of salary bands for 2020 and end-2020 FTE numbers at the grade-group level, and is inclusive of the application of a blended rate of employers' PRSI. Data was rounded to the nearest whole number.

Overview of the application and administration of the HRA hours

Based on the Employer submission to the Body, and on subsequent engagement between the Body and representatives from the local authority sector, the additional hours have allowed services to continue without incurring the cost of allowances and overtime. Overall, the management side estimates that 50% of the additional hours are spent delivering direct frontline services to the public.

The submission states that the additional hours have helped in addressing issues arising from headcount reductions experienced across the sector since 2008. In presenting their submission to the Independent Body, the Employer stated that the sector continues to develop shared services and build on the range of services that are provided online. Despite efforts to digitise certain local authority services, the Employer expressed that public offices remain essential to service delivery, and that the additional hours have facilitated extended opening times for the public (e.g. facilitating motor tax offices to open later or to open during lunch-times).

In addition, the management view is that the additional hours have allowed the sector to introduce new initiatives, including reforms under the Putting People First plan, Town Centre First, and Housing for All, and to develop the realignment of county boundaries.

In terms of the administration of the additional hours, the ICTU submission highlights that the additional working time did not require new shifts or weekend working, and that the hours were scheduled within the scope of the flexitime scheme.

Operational, administrative, and service-delivery implications of a reduction in working hours

The Employer submission states that the additional hours are helping to facilitate the significant restructuring that is occurring across certain service areas in the local authority sector, including the water sector, the library service and the fire service. The management view is that these initiatives would be detrimentally affected by the loss of the additional working time. More generally, the Employer submission claims that the ability of the sector to continue to deliver services at current levels is dependent on the continuation of the additional hours.

In terms of the operational impact from a reduction in working time, the ICTU submission highlights that the privatisation and outsourcing of certain services that were previously managed by local authorities, has served to reduce the headcount and workload in the sector. Specifically, ICTU refer to the outsourcing of key local authority services, such as waste collection, as well as other initiatives such as the introduction of strategic planning zones, which, ICTU states, has reduced planning work.

Both management and staff representatives indicate that there is not likely to be a major impact in terms of rostering for affected grades from any reduction in working time. The ICTU submission highlights that the additional hours were scheduled within the scope of the flexitime scheme, with no new shifts or weekend working arrangements.

Overview of key reforms in the local authority sector since 2013

In the time since the HRA hours were introduced, the local authority sector has undergone several structural reforms. Many of these reforms were set out in 2012, under "Putting People First: Action Programme for Effective Local Government", and were implemented under the Local Government Reform Act 2014.

Some of the more substantial reforms since 2013, which have impacted on the size and structure of local authorities, include:

- The merging of city and county councils, including Waterford and Limerick, and the two county councils (North and South) in Tipperary;
- · The rationalisation of regional assemblies;
- The dissolution of the 80 town councils, effectively reducing the number of local authorities from 114 to 31; and.
- The introduction of 95 municipal districts.

During this time, local authorities also experienced changes to their role and functions. The Water Service (No. 2) Act 2013 centralised the provision of water services, transferring relevant functions and infrastructural assets from local authorities to Irish Water. In addition, other key functions have been supplemented or assisted by alternative service providers in recent years. For example, Approved Housing Bodies (AHBs) and the Housing Assistance Payment (HAP) are now significant sources of social housing provision, in addition to local authorities.

This outsourcing of local authority services was occurring prior to 2013. The privatisation of waste collection services began with Cork City Council and Cork County Council in 2010. In 2012, Student Universal Support Ireland (SUSI) began processing higher and further education grants, while the National Driving Licence Service (NDLS) assumed responsibility for the issuing of driving licenses in 2013.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the local authority sector, and has found the following:

- At end-2020, there were 16,123 FTEs performing the additional hours across the local authority sector, with an estimated volume of 1.5 million additional hours, annually.
- The sector has undergone significant structural reform since the additional hours were introduced, including the dissolution of town councils and reductions in the number of elected council members.
 The sector has also experienced the outsourcing or centralisation of key services and new climate change obligations.
- The Employer view is that the additional hours have helped in addressing some of the issues arising
 from reductions in staff numbers since 2008, and have been used to facilitate structural reforms in
 the sector.
- The ICTU submission highlights that the outsourcing of services that were previously managed by local authorities, has served to reduce the workload in the sector.
- Management representatives highlighted difficulties in recruiting relevant staff, particularly those in Professional and Technical grades, given competition from the private sector. The Independent Body is of the view that a reduction in the length of the working week could assist in attracting staff to grades where there are recruitment challenges.
- Both management and staff representatives indicate that there is not likely to be a major impact in terms of rostering for affected grades from any reduction in working time.
- The Independent Body notes that a reduction in working time for management grades in the sector
 would not have a material impact on this cohort, considering that they regularly work in excess of
 the hours requirement.

6.4 Education

Summary of Employer submission

For first and second-level education, the Employer submission states that the additional hours are being used to manage workloads and backlogs, maintain service delivery, and reduce the reliance on overtime, in a context of increasing volumes of business and falling staff numbers.

For professional, management and support staff, the Employer submission indicates that a reduction in working time would impact on the delivery of critical administrative supports for Education and Training Boards (ETBs) (e.g. in HR, ICT, Procurement, and Finance), and would hinder progress on ongoing reforms across the sector. The Employer states that the additional hours have been instrumental in supporting the sector during the period of reform,

with the extra working time assisting the sector in moving to a shared services model for processes relating to payroll and finance.

Regarding primary and post-primary teachers, the Employer position is that, as an additional salary is paid for duties performed under the Supervision and Substitution (S&S) scheme, these hours are not in the same category as the additional hours worked by other public servants under the HRA for which no additional remuneration is paid.

Generally, the Employer expresses a view that any potential change to hours worked in the education Sector should consider the immediate impact on employers, as, for example, schools will need to manage timetabling. In this sense, an appropriate lead-in time will be required for implementation

of any recommendation concerning a reduction in working hours.

Summary of ICTU Submission in relation to First- and Second-level Education, and Further Education and Training (FET)

The ICTU submission sets out the additional hours worked by different categories of staff in the education sector. Clerical, administrative, professional and management grades, instructors, support staff and various other grades in ETBs and other Further Education and Training (FET) settings, had their weekly hours increase from 35 to 37. In schools, the number of hours performed by teachers as part of the S&S scheme increased from 37 to 43 hours per year.

ICTU's submission states that there is no evidence of productivity gains in the non-teaching education sector as a result of the additional hours, and that, unlike the CPA, the HRA did not establish any systematic process to assess or measure the productivity impact of the additional hours, or their impact on costs or service delivery. For professional, management and support staff, the ICTU submission outlines that, in most cases, the additional hours were added to daily working hours, or scheduled within the scope of the flexitime scheme.

In response to the Employer submission, ICTU's supplementary submission states that, for the ETBs, the change to a shared services model was not contingent on a 37-hour working week, and was managed by a largely female workforce with a significant degree of flexible working.

Finally, ICTU state that a reduction in the additional hours of supervision and substitution done by teachers can be achieved without additional costs or reduced productivity.

Background and Context

Primary and post-primary teachers

Prior to the HRA, teacher participation in the S&S scheme was voluntary, and a compensatory allowance was provided at a rate of €1,769 per year for those who entered service pre-2011, and €1,592

per year for those who entered service post-2011. This payment was in respect of 37 hours of S&S duties, annually.

Under the HRA, teaching staff are required to perform six additional S&S hours per year, for a total of 43 hours. While initially unpaid, the HRA provided for the allowance that was previously paid in respect of the S&S scheme for post-2011 entrants (i.e. €1,592), to be incorporated into the pay scale in two equal moieties. This was included in the basic scale for teachers, with half included in the 2016/2017 school year and the second half included in the 2017/2018 school year.

The receipt of an additional payment for working additional hours under the HRA means that teachers are unique among public servants.

In terms of staff numbers, at primary level, the combination of a reduction in student enrolments and the relatively high supply of teachers is expected to result in an oversupply. This is estimated by the Department of Education to peak during the mid-2020s, before gradually declining thereafter, with an undersupply of teachers projected by the mid-2030s.⁴⁰ At post-primary level, an oversupply is projected, and is predicted to increase until 2032.

It is worth noting that for staff employed as SNAs, there is no obligation to work additional hours under the HRA.

End-2020 Position

Table 9 summarises the position of the first- and second-level education and FET sectors at the end of 2020, in terms of FTE numbers, estimates of annual pay expenditure, and estimates of the volume of additional hours worked. FTE numbers included in this table refer to professional, management and support staff (primary and post-primary teachers are not included).

Overall, at the end of 2020, there was an estimated 4,322 FTEs in first- and second-level, and FET, working an estimated volume of 378,938 additional hours on an annual basis.

⁴⁰ Department of Education, Developing a Teacher Demand and Supply Model for Ireland 2021 – 2038: A Technical Report, May 2021.

Table 9. First/Second-level and FET sectors at end-2020: FTEs working the additional hours, estimated pay costs, estimated volume of additional hours

Grade	Pre-HRA Hours	Post-HRA Hours	FTEs	Estimated Pay Cost*	Annual Additional Hours
Secretaries	35	37	389	€12,654,243	27,230
Caretakers	35	37	188	€3,717,285	13,160
Management Grades	35	37	153	€14,092,442	13,831
Grades on 35 hours pre-HRA (excl. management)	35	37	2,712	€130,502,969	245,165
Grades on 37 hours pre-HRA	37	39	880	€32,603,582	79,552
Total	2 hours		4,322	€194 million	378,938

Source: IHB workings, based on data obtained from DPER.

Notes: *Pay cost is based on aggregate payroll data provided to the Independent Body by DPER. Primary and post-primary teachers have not been included in this table. Data was rounded to the nearest whole number.

Overview of the application and administration of the HRA hours

Primary and post-primary teachers

Teachers discharge their additional hours requirement under the S&S scheme. This facilitates the supervision of students during break times, and in the periods before and after school. The scheme also provides for substitution to cover certain categories of teacher absences, including: uncertified sick leave, teacher absences due to approved school activities, and the first day of each absence due to force majeure and illness in family leave.

These hours allow schools to remain open during parent-teacher meetings, staff meetings, periods of subject planning, and mandatory Continuous Professional Development, when ordinarily, it may have been necessary for a school to close.

Professional, management and support staff

The Employer submission sets out the four categories of professional, management and support staff working in the first/second-level and FET sectors. These include staff:

- Working in primary and post-primary schools (e.g. secretaries and caretakers);
- Working in ETBs (e.g. head office);

- Working in the FET sector with a mix of class contact/direct service delivery and administrative duties (e.g. Youthreach grades);
- Working in the FET sector providing tuition or other direct services (e.g. Instructors, Technicians, Psychologists).

Under the HRA, professional, management and support staff with a net working week of 35 hours or less, experienced an increase to a minimum of 37 hours. Those who worked more than 35 hours, but less than 39 hours, experienced an increase to 39 hours.

In their engagement with the Independent Body, representatives from the Department of Education emphasised that secretaries and caretakers add significant value to the running of schools. The role of school secretaries has expanded in recent times and is seen as providing essential administrative support to school principals. Caretakers are also considered to be providing valuable support, particularly in relation to the regular maintenance of school buildings.

In the FET sector, professional, management and support staff working the additional hours include those employed in finance and auditing, HR, ICT, procurement, and health and safety, among others. The Employer states that the additional working time for these cohorts has led to a more

co-ordinated and integrated approach to service delivery. This is underpinned by formal service planning and needs analysis, with rigorous quality assurance and course development processes, greater technology adoption in the delivery of programmes, and a focus on Continuous Professional Development for staff. More generally, employers in the FET sector report using the additional working time to manage workloads and backlogs, maintain service delivery and reduce the reliance on overtime.

The Employer emphasises that ETBs underwent a period of significant reform following the merger with the Vocational Education Committees (VECs) in 2013. The Employer submission states that the additional hours have been instrumental in supporting the sector during this period of reform, with the extra working time assisting in moving to a shared services model for processes relating to payroll and finance. However, as outlined earlier, this is disputed by ICTU, who state that the move to a shared services model was not contingent on a 37 hour working week, but was facilitated by flexible working arrangements.

Operational, administrative, and service-delivery implications of a reduction in working hours

Primary and post-primary teachers

The Employer submission states that any reduction to the hours worked under the S&S scheme would have a detrimental impact on the sector, and that, in order to avoid the closure of schools, the lost time would need to be replaced by recruiting external staff. The Employer submission estimates that between 2013 and 2017, the period during which participation in the scheme was mandatory and unpaid, the estimated Exchequer saving was €356 million.

The Employer highlights two possible scenarios arising from a reversion to pre-HRA working time arrangements for teachers. If the hours are not replaced, this is expected to result in school closures throughout the year. Alternatively, if the hours are replaced, the impact on students could be mitigated, at a cost of €9.3 million, based on the supervisory rate that applies in respect of the supervision of students. However, the Employer indicates that

the replacement of time via recruitment would bring additional issues, placing an increased administrative burden on employers, in terms of the recruitment and management of additional staff.

As outlined previously, the ICTU position is that a reduction in the hours of supervision and substitution by teachers can be achieved without additional costs or reduced productivity.

Professional, management and support staff

In assessing the potential impact of a reduction in working time for these cohorts, it is useful to consider the time spent in direct versus indirect service delivery.

For secretaries and caretakers, the Employer submission indicates that all working time is spent providing indirect services. In ETBs and the FET sector, the Employer indicates that, across all grades, approximately 81% of staff are involved in providing indirect services, while 19% provide direct services.

For those grades involved either wholly in the provision of direct services (e.g. Career Grade Staff, Craftsmen and Technicians), or a mix of direct and indirect services (e.g. Youthreach staff), a reduction in hours is expected to lead to a corresponding reduction in class contact and tuition time.

However, the Employer emphasises that any reduction in the hours worked by administrative staff providing indirect services, will impact on the delivery of supports seen as critical to ETBs/FET, including HR, ICT, Procurement and Finance. The Employer states that this would also directly impact on the implementation of the national FET strategy developed by the Department of Further and Higher Education, Research, Innovation and Science and SOLAS, and that there is a risk that service enhancements would be foregone, while existing service levels would diminish. For ETBs in particular, there is a concern that, as these are growing organisations, a reduction in working time could jeopardise advancements being made in bringing governance and compliance in the sector up to the required standards.

In terms of replacement, the Employer notes that any lost time would need to be backfilled either through additional posts in the ETB sector, or on an agency basis at the level of the individual school.

However, the Employer submission indicates that it may also be possible to mitigate the impact through significant reforms, including investments in technology and changes to work practices.

In their submission, ICTU state that the restoration of pre-HRA hours for clerical, administrative and analogous grades in the sector would have no implications for public facing roles, and would not, therefore, incur any additional costs, assuming that flexible working and flexitime remains available.

Overview of Key Reforms in first/ second-level education since 2013

This section outlines some of the key reforms to the first/second-level and FET sectors since 2013. For first/second-level, reforms are separated into the categories of Staff Development, Student Assessment and Curriculum Reform, and Future Reforms.

First/Second-level

Staff Development

- In 2016, a new Fitness to Teach inquiry process was launched, permitting anyone to make a complaint to the Teaching Council about a registered teacher. Upheld complaints may result in teachers having to attend professional development courses, or removal from the register of teachers.
- In 2019, Department of Education and Skills introduced a teacher-sharing scheme for high demand subjects. This scheme, originally set-out under the Teacher Supply Action Plan (2018), allows two schools to jointly recruit a teacher, employing them for more hours than if they were recruited to a single school.

Student Assessment and Curriculum Reform

- From 2015, the Junior Cycle Profile of Achievement (JCPA) introduced a more holistic approach to assessment as part of wider reforms to the Junior Cycle curriculum (as outlined in the Framework for Junior Cycle (2015)). The JCPA incorporates classroom-based assessment and state exam results, as well as wider reporting on formal and informal learning, including wellbeing.
- In 2017, a new Leaving Certificate grading scale was implemented, following consultation with Higher Education Institutions and recommendations from the Transitions Reform

- Steering Group. This system aims to facilitate entry into higher education and strengthen skills, through increasing enrolments in higher level (as opposed to ordinary level) subjects.
- Major curricular reforms are planned or underway.
 As of 2017, Junior Cycle reform includes a
 wellbeing curriculum of 400 hours (as of 2020)
 of physical and emotional wellbeing, sustainable
 living and active citizenship. The STEM Education
 Policy Statement, 2017-2026 established a
 vision for Science, Technology, Engineering and
 Mathematics policy, including curriculum reform.
 Ongoing reviews and assessments by the National
 Council for Curriculum and Assessment (NCCA)
 are also underway, for both the Junior and Senior
 Cycle.

FET

A major reorganisation of the FET sector took place in 2013. Up to 2013, vocational education was provided in schools and out of school centres coordinated through 33 local VECs. The Further Education and Training Act 2013, provided for the dissolution of FÁS and the transfer of its training functions to SOLAS in October 2013. The newly established ETBs served to integrate the remits of the VECs and FÁS, with SOLAS acting as a central FET authority.

The National Further Education and Training Strategy 2020-2024, referenced in the Employer submission, was launched by the Minister for Further and Higher Education, Research, Innovation and Science on 16 July 2020. The strategy puts forward a vision for future FET provision in Ireland. The priorities for the FET sector included in the strategy are outlined across the three core pillars of: building skills, creating pathways, and fostering inclusion.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the education sector, and has found the following:

- At the end of 2020, excluding primary and post-primary teaching staff, there was an estimated 4,322
 FTEs in the first/second-level and FET sectors working an estimated volume of 378,938 additional
 hours on an annual basis.
- The Independent Body is cognisant that primary and post-primary teachers are paid an additional allowance for performing supervision and substitution duties, which is built into their salary and pension arrangements, and sees no basis to adjust this arrangement arrived at under previous Agreements.
- A major reorganisation of the FET sector took place in 2013, including the dissolution of FÁS and the transfer of its training functions to SOLAS. Additional reforms are underway, as set out in the National Further Education and Training Strategy 2020-2024.
- For professional, management and support staff, the Employer submission states that a reduction
 in working time would impact on the delivery of critical administrative supports for ETBs/FET,
 and would hinder progress on ongoing reforms across the sector. The submission indicates that it
 may also be possible to mitigate the impact through significant reforms, including investments in
 technology and changes to work practices.
- ICTU state that there is no evidence of productivity gains in the non-teaching education sector, and
 that, the restoration of pre-HRA hours for clerical, administrative and analogous grades would have
 no implications for public facing roles, and would not, therefore, incur any additional costs, assuming
 that flexible working and flexitime remains available.
- The Independent Body notes that a reduction in working time for management grades in the first/ second-level education and FET sectors would not have a material impact on this cohort, considering that they regularly work in excess of the hours requirement.

6.5 Higher Education

Summary of Employer submission

The Employer submission concerning higher education states that the HRA hours provided the capacity to maintain services with fewer staff, while complying with the Employment Control Framework (ECF) for the sector.

Primarily, the submission states that the additional hours were used to support teaching and learning in the context of a loss in academic posts across all disciplines, and at a time of increasing student numbers. The Employer indicates that the additional working time also provided the scope to prioritise posts that were needed to support new strategic initiatives, for example, regarding the recruitment of international students and research supports.

The Employer submission outlines that, in the event of a reduction in working time for academic staff, the scope to recruit additional staff will need to be provided for within an ECF ceiling adjustment. Other mechanisms, such as an increase in casual staff, may also be required.

Currently, a review of the lecturing contract for the academic staff of Institutes of Technology/ Technological Universities is underway, assisted by the OECD. The Employer states a preference for the outcome of this process to determine the future course and direction of working time in the technological sector.

Aside from academic staff, for professional and administrative staff, the Employer submission outlines that a reduction in working hours would

lead to a reduction in capacity for student-facing services, with additional negative impacts on the delivery of indirect services, including essential support services (such as ICT, Finance, and HR). The submission further states that any reduction in hours for this cohort should result in a common arrangement being put in place across all grades.

Summary of ICTU Submission in relation to Higher Education

The ICTU submission sets out the cohorts of staff in the higher education sector that are subject to the HRA hours. The submission outlines that, in some cases, staff experienced a weekly increase in excess of two hours. For example, in institutions where the starting point was 33.5 hours per week, working time for these grades was increased by two hours and 15 minutes; technical staff in the IoT/TU sector had their hours increase from 36.5 to 39 hours per week, through a 30 minute increase in daily working time.

The submission states that there is no evidence of productivity gains or savings in the non-teaching education sector, and that the restoration of working time for clerical, administrative and analogous grades would have no implications for public facing roles.

ICTU outline that the "9-to-5" opening model was in place prior to the HRA, with flexitime used to cover lunch breaks, the start and end of the day, and to manage some "out of hours" provision. For this reason, a restored working day is not expected to incur any additional costs for clerical and administrative staff, assuming that flexible working and flexitime remains available. Furthermore, ICTU state that the implementation of the HRA hours in administration services, including libraries and open service desks, has not resulted in extended opening hours for students.

Background and context

Employment Control Framework

The Employer submission outlines that, in the event of a reduction in working time for academic staff, the scope to recruit additional staff will need to be provided for within an ECF ceiling adjustment.

In 2009, Employment Control Frameworks (ECFs) were introduced across the public service. For much of the public service, delegated sanction arrangements have since replaced ECFs, however, an ECF remains in place in the higher education sector In effect, the ECF places a ceiling on the number of permanent staff (academic and support) that each HEI can employ. However, this ceiling does not apply to non-Exchequer (own-resource) funded posts. For this reason, there has been a growing tendency among HEIs to leverage part-time and casual workers,⁴¹ categorised as "non-core" staff.⁴²

End-2020 Position

Table 10 summarises the position of the higher education sector at the end of 2020, in terms of FTE numbers, estimates of annual pay expenditure, and estimates of the volume of additional hours worked.

Overall, at the end of 2020, there was an estimated 20,969 FTEs in the higher education sector working an estimated volume of 1.76 million additional hours on an annual basis.

⁴¹ Under the terms of the HRA, an Expert Group was established "to consider and report on the level of fixed-term and part-time employment in lecturing". The report from this Expert Group (the Cush Report, May 2016) sets out a number of practical recommendations.

⁴² Department of Education, Review of the Allocation Model for Funding Higher Education Institutions: Final Report by the Independent Expert Panel for the Higher Education Authority, December 2017.

Table 10. Higher education sector at end-2020: FTEs working the additional hours, estimated pay costs, estimated volume of additional hours

Grade	Additional Hours Requirement	FTE	Estimated Pay Cost*	Annual Additional Hours
Academic	78 hours per year	11,218	-	875,004
Non-Academic	2 hours per week	9,751	-	881,490
Overall Total	-	20,969	€798 million	1.76 million

Source: IHB workings, based on data provided to the Independent Body by DPER.

Notes. *Pay data for the higher education sector was not provided to the Independent Body. Instead, pay for each grade group was estimated based on aggregate pay data for the higher education sector provided by DPER.

Overview of the application and administration of the HRA hours

For academic staff, the additional working time introduced under the HRA amounts to 78 hours per year. The exact use of the HRA hours varies across institutions given the level of autonomy in the higher education sector.

In universities, working time is generally allocated in line with Workload Allocation Models (WAMs). These models have been used in HEIs since 2010, and aim to support the efficient use of limited resources. WAMs involve the allocation of a time budget across the range of work activities undertaken by academic staff. The Employer states that generally, for university academics, the additional time is used to support teaching and learning activities, helping to offset reductions in staff numbers arising from the ECF. The additional time has also been used to support activities that contribute to institutions in other ways, for example, by growing the base of international students who are a significant source of revenue for HEIs.

In IoTs and TUs, the additional hours worked by academic staff were offset against a reduction in evening weighting hours, from 1.5 to 1.25, and the removal of church holidays. Where academic staff are timetabled after 6pm, they now receive a weighting of 1.25 hours for each timetabled hour, instead of the 1.5 hours that had previously applied. In the event that the institution was closed on a church holiday, or where church holidays were grouped together in line with a local agreement, the institution now opens and academic staff could be timetabled for normal teaching hours.

For professional and administrative staff in universities, the Employer has indicated that

the additional hours have been used to support student-facing services. In complying with the ECF, head-count reductions in the sector prioritised academic staff, with the extended working week for professional and administrative staff providing additional capacity to maintain student services against these reductions. Similarly, in the IoTs and TUs, the Employer submission states that the additional working time for these cohorts has been used to meet the increased demand for student services, including in relation to examinations and library services. In some cases, the increased availability of technical staff, such as laboratory assistants, has also meant that additional laboratory classes could be delivered.

Operational, administrative, and service-delivery implications of a reduction in working hours

In assessing the potential impact of a reduction in working time in the higher education sector, it is useful to consider the time spent in direct versus indirect service delivery. In the context of higher education, direct services refer to student-facing and academic services, while indirect services are those that support the institutions more broadly, including ICT, Finance, HR, research support, and corporate governance.

The Employer submission indicates that direct services account for approximately 70% of working time in universities, and 75% of working time for other institutions, including IoTs and TUs. However, the Employer emphasises the inter-dependency that exists between direct and indirect services across the sector, with any loss in capacity in the provision of indirect services expected to have a consequential impact on the provision of direct services, through

an increased administrative burden on those providing these services (e.g. academic staff).

For professional, administrative and support staff, the Employer reports that a reduction in working time would lead to a reduction in the capacity of student-facing services. If compensatory flexible arrangements are not put in place, the Employer cautions that student service hours and library opening hours would be impacted. Conversely, ICTU have stated that the additional hours in administration services, including libraries and open service desks, have not resulted in extended opening hours for students. The Employer submission outlines that solutions around more flexible rostering as well as starting and finishing times would be a useful compensatory productivity measure in response to a reduction in working time for these cohorts.

For university academics, the Employer submission states that the scope to recruit additional staff will need to be provided for within an ECF ceiling adjustment, and that the replacement of hours for many disciplines may need to be achieved through the use of casual staff. Due to the ways in which the additional hours are administered in the IoT/TU sector, for academic staff, a reduction in working time is expected to reduce the length of the academic year. More specifically, if the extra working time was removed, the Employer submission estimates that a week would be taken from the academic calendar.

Overview of Key Reforms in Higher Education since 2013

Formation of the Technological Universities (TUs)

A range of measures designed to deliver positive reform to the higher education sector are set out in the National Strategy for Higher Education to 2030. Published in January 2011, this strategy remains the blueprint for reform of higher education in Ireland, and sets out a long-term vision that aims to meet the social, economic and cultural challenges facing the sector in the long-term.

One key component of the strategy is the recommended formation of technological universities. The TU legislation was enacted in March 2018, representing a major reform of the sector. Under the 2018 Act, two or more IoTs may jointly seek TU designation through a prescribed legislative process.

Since the publication of the National Strategy, several IoTs have progressed proposals to become TUs. TU Dublin (formerly DIT, IT Blanchardstown and IT Tallaght) was established in January 2019, the Munster Technological University (formerly Cork IT and IT Tralee) was established in January 2021, while the Technological University of the Shannon (formerly Athlone IT and Limerick IT) was established in October 2021.

As outlined in the Employer submission, the formation of the TUs represents a major stepchange in the higher education sector. Related to this, a review of academic contracts by the OECD is currently underway, and is aimed at ensuring that TUs are equipped to deliver on their mission and wider strategic objectives.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the higher education sector, and has found the following:

- At the end of 2020, there was an estimated 20,969 FTEs in the higher education sector working
 an estimated volume of 1.76 million additional hours on an annual basis. An Employment Control
 Framework places a ceiling on the number of permanent staff that each HEI can employ. However,
 this does not apply to non-Exchequer funded posts.
- A range of measures designed to deliver positive reform to the higher education sector are set out in the National Strategy for Higher Education to 2030. Key among these, is the recommended formation of technological universities. Several TUs have been established to date.
- The Employer submission states that the additional hours in the higher education sector provided the capacity to maintain services with less staff, and were used to support teaching and learning in the context of reductions in academic posts and rising student numbers.
- The ICTU submission states that there is no evidence of productivity gains or savings in the nonteaching education sector, and that the restoration of working time for clerical, administrative and analogous grades would have no implications for public facing roles.
- An OECD assisted review of the lecturing contract for academic staff is ongoing, and may lead to new
 contractual arrangements for staff. In light of this, the Independent Body is of the opinion that no
 recommendation regarding working/contract hours involving academic grades is appropriate at this
 stage.
- The Independent Body notes that a reduction in working time for management grades in the higher education sector would not have a material impact on this cohort, considering that they regularly work in excess of the hours requirement.

6.6 An Garda Síochána

While the Association of Garda Sergeants and Inspectors (ASGI) and the Garda Representative Association (GRA) have signed up to the Building Momentum Agreement, the Independent Body did not receive a submission from these groups. This is perhaps due to the respective Associations resolving outstanding issues prior to agreeing the terms of Building Momentum.

Summary of Employer submission

The Employer submission relating to An Garda Síochána sets out that members of the Garda, Sergeant and Inspector ranks are required to perform 15 additional hours per year. An agreement was reached in 2016 that allowed for the additional time to be administered via a system of self-rostering.

The Employer submission provides examples of how the process of self-rostering works in practice. The submission states that, by way of agreement with local management, members of the Garda rank may fulfil their additional working time obligation either by way of Continuous Professional Development (CPD) or in Operational Duty. In respect of members of the Sergeant and Inspector rank, the additional hours are to be completed at the end of each roster, for supervisory duties, administration and the certification of claims.

The submission sets out that a reduction in the working time requirement would result in reduced flexibility for operational policing. This includes the capacity for members to stay on duty for longer in certain circumstances without incurring the additional expense of overtime payments, for example, when manning a checkpoint or a public office counter.

Background and context

Background

Initially, the HRA requirement for members of An Garda Siochána was for all Gardaí, Sergeants and Inspectors to work three extra days per year, in the calendar years 2013, 2014 and 2015. The hours arising from these days were to be utilised as follows:

- 10 x 1 hours to be worked at the start or end of shift duty;
- One day to be worked to a maximum 10 hour day tour (excluding Sundays and Bank Holidays);
- One day overtime (x1.5) to be taken as compulsory time-off in lieu.

Following the 2016 Labour Court recommendations, there was a reduction in the annual additional work requirement to 15 hours per year, for each of 2017 and 2018. These hours were continued under the PSSA 2018-2020, and were performed in each of 2019 and 2020.

In terms of staff numbers, the number of Garda rank members fell by 12.9% from 2009 to 2014, but, with the exception of a modest decline in 2016, numbers have been rising in recent years, in line with the lifting of the moratorium in 2014. As of end-2020, Garda rank numbers are almost level with 2009. The

numbers in the Sergeant and Inspector ranks have been relatively consistent during this period, with modest annual changes.

A recurring issue in An Garda Síochána is the significant amount spent on overtime. The total overtime expense for Garda, Sergeant and Inspector ranks in 2020 was €98 million (as shown in Table 11), representing approximately 10% of the annual pay bill for that year. The average amount spent on overtime per Garda, Sergeant and Inspector at end-2020, was €6,079, €9,971, and €14,595 respectively.

In their engagement with the Independent Body, management representatives highlighted that the contingency rosters introduced in An Garda Síochána in response to the COVID-19 pandemic, were a significant factor in the substantial level of overtime seen in 2020.⁴³ These emergency rosters involve members of An Garda Síochána working patterns of four days on, followed by four days off, with shifts lasting for 12 hours. This results in rostered overtime of one hour per member each week.

End-2020 Position

Table 11 contains data summarising the position of An Garda Síochána at the end of 2020, in terms of FTE numbers, annual pay expenditure, and estimates of the volume of additional hours worked.

Table 11. An Garda Síochána at end-2020: Staff working the additional hours, estimated pay costs, estimated volume of additional hours

Grade	Additional hours requirement	FTE	Estimated Pay Cost*	Overtime Spend	Annual Additional Hours
Garda		11,802	€810,273,050	€71,741,012	177,030
Sergeant	15 per year	1,978	€162,675,668	€19,722,051	29,670
Inspector		438	€36,624,323	€6,392,425	6,570
Total	-	14,218	€1.01 billion	€98 million	213,270

Source: IHB workings, based on data provided to the Independent Body by DPER and the Department of Justice.

Notes. *Pay cost is estimated using data obtained from DPER on the mid-point of salary bands for 2020, and end-2020 FTE numbers, at the grade-group level. This was combined with data on allowances and employers' PRSI obtained from the Department of Justice, to arrive at an overall pay cost. Data on overtime was also obtained from the Department of Justice and is reported separately. Estimates of the volume of additional hours assumes that all 15 hours are performed by each member in the year. Data was rounded to the nearest whole number.

⁴³ It is worth noting that overtime has been a substantial, and growing, component of the pay bill for An Garda Síochána for some time. See previous analysis in: E. Dormer, Overtime Spending in An Garda Síochána - Efficiency and Control, IGEES Spending Review 2018, July 2018.

Overall, at the end of 2020, there was an estimated 14,218 FTEs in the Garda, Sergeant and Inspector ranks of An Garda Síochána, working an estimated volume of 213,270 additional hours on an annual basis. As outlined previously, expenditure on overtime is particularly significant in An Garda Síochána.

Overview of the application and administration of the HRA hours

As outlined in the Employer submission, members of An Garda Síochána perform the additional hours through a process of self-rostering.

In practice, this means that, where members of the Garda rank through their own volition work in excess of their rostered hours, this time can be offset against their additional working time obligation. These additional hours may be worked at any time and under any arrangement, as long as there is mutual agreement between the Superintendent or District Officer, and the member concerned. For example, where a member works incidental overtime as a result of being delayed beyond their rostered duty, at a public counter, at court proceedings, or in the taking of witness statements or reports from an injured party, this time can be offset against the 15 hours.

The submission outlines that, for members of the Sergeant and Inspector rank, the additional hours are to be completed at the end of each roster, for supervisory duties, administration and the certification of claims.

Operational, administrative, and service-delivery implications of a reduction in working hours

The Employer submission indicates that the availability of the additional hours in An Garda Síochána has helped to limit spending on overtime.

The submission states that a reduction in the additional hours would result in reduced flexibility for operational policing, which at present, allows members to stay on duty for longer in certain circumstances, without incurring the expense of overtime payments. This may arise where a member is manning a checkpoint or a public office counter.

In their engagement with the Independent Body, management representatives indicated that there is not a difficulty in recruiting members of An Garda Síochána.

Overview of key reforms in An Garda Síochána since 2013

An Garda Síochána has been subject to two major legislative reforms since 2013. The Garda Síochána (Policing Authority and Miscellaneous Provisions) Act 2015 provided for the establishment of the Policing Authority, to provide independent and objective oversight of the policing functions of An Garda Síochána. The 2015 Act detailed the functions of the Policing Authority, some of which were previously the responsibility of Government or the Minister for Justice, and also provided for an expansion to the remit and powers of the Garda Síochána Ombudsman Commission (GSOC).

Subsequent to this, the Report of the Commission on the Future of Policing in Ireland (CoFPI) was published in September 2018.⁴⁴ The Report sets out 10 over-arching principles, with a total of 50 detailed recommendations for change. The Government's plan to implement the CoFPI report is detailed in the Policing Service for the Future (APSFF) report, published in December 2018.⁴⁵

Draft legislation that would give effect to some of the recommendations included in the CoFPI report was published by Government in April 2021 under the General Scheme of the Policing, Security and Community Safety Bill.

⁴⁴ Commission on the Future of Policing in Ireland, The Future of Policing in Ireland: Key recommendations and principles, September 2018.

⁴⁵ Government of Ireland, A Policing Service for the Future - Implementing the Report of the Commission on the Future of Policing in Ireland, December 2018.

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in the justice sector, and has found the following:

- The Body did not receive a submission from An Garda Síochána staff representatives. This is perhaps
 due to the respective Associations resolving outstanding issues prior to agreeing the terms of
 Building Momentum.
- Major reforms to An Garda Síochána are set out in the Policing Service for the Future plan, which aims to implement recommendations included in the CoFPI report.
- The number of Garda rank members fell by 12.9% from 2009 to 2014. Numbers have been rising in recent years, and at end-2020, Garda rank numbers were almost level with 2009. At end-2020, there were 14,218 FTEs in the Garda, Sergeant and Inspector ranks of An Garda Siochána, with an estimated volume of 213,270 additional hours, annually.
- The Employer submission states that the additional time has been used by members of the Garda rank to facilitate Continuous Professional Development and extensions to Operational Duty. For Sergeant and Inspector ranks, the additional hours are completed at the end of each roster, for supervisory duties, administration, and the certification of claims.
- The Employer submission indicates that the additional hours have helped to limit overtime spending.
- The Independent Body is of the view that the additional hours could be removed without major consequence for operational policing. This time has been administered via a process of self-rostering and was often used to facilitate Continuous Professional Development.
- The Independent Body notes that a reduction in working time for management grades in An Garda Siochána would not have a material impact on this cohort, considering that they regularly work in excess of the hours requirement.

6.7 Tusla

Summary of Employer submission

The Employer submission in relation to Tusla states that a reduction in hours would have a direct, negative impact on the provision of essential services to vulnerable groups.

When the Agency was established in 2014, the additional hours were already in effect, and were encompassed in the conditions of employment for staff. As such, the Employer submission states that the additional hours have been integrated into existing levels of service delivery.

In outlining the practical impact of the additional working time, Tusla highlight that the hours introduced under the HRA have assisted in addressing the increased demands for the Agency's services, and have facilitated a reduction in the

waiting lists of cases awaiting allocation. This has helped to offset the need for increases in FTEs. The submission emphasises that the supply of graduates in critical grades such as social work has been a challenge for the Agency since it was established, and that this challenge would have been compounded without the availability of the additional hours.

Finally, the submission states that to maintain existing levels of service delivery, a combination of overtime, agency staff and the recruitment of additional FTEs would likely be required, with significant budgetary implications. It is stated that all staff in the Agency support the direct delivery of services, implying that a reduction in working time in respect of any grade would adversely impact on the delivery of front-line services.

Background and context

Background

Tusla, a Non-Commercial State Agency, was formally established under the Child and Family Agency Act 2013, subsequent to the introduction of the HRA hours. The Agency is responsible for improving wellbeing and outcomes for children.

In terms of staff numbers, FTEs have grown consistently since the organisation was established, with an annual average growth rate of 5% since 2014. FTEs in 2020 were 33% greater than when the Agency was set-up in 2014. As of end-2020, the majority of Tusla staff were employed in Social Care and Social Work (63.6%), with management grades accounting for 4.7% of all FTEs.

The Employer submission highlights that the supply of graduates in critical grades, such as social work, has been a significant challenge for the Agency since it was established.

End-2020 Position

Table 12 contains data summarising the position of Tusla at the end of 2020, in terms of FTE numbers, estimated pay costs, and the estimated volume of additional hours worked.

Overall, at the end of 2020, there was a total of 4,598 FTEs in Tusla, performing an estimated volume of 466,358 additional hours on an annual basis.

Overview of the application and administration of the HRA hours

The Employer submission sets out the management view of how the additional hours have been used. This includes allowing the Agency to meet increased demands for services, and facilitating decreases in waiting lists or in the number of cases awaiting allocation.

The Employer submission further states that the availability of the additional hours contributed to progress on developments in services and that, without the extra time, there would have been a greater need to increase FTE numbers.

In more general terms, the Agency states that the additional working time ensures that service users receive a "consistent, quality and integrated response" from the Agency's services. The submission also states that the additional hours have enabled greater inter-agency cooperation, ensuring services are responsive to needs, and the commissioning of services relating to the provision of child and family services.

Table 12. Tusla at end-2020: FTEs working the additional hours, estimated pay costs, estimated volume of additional hours

Grade	Pre-HRA Hours	Post-HRA Hours	FTEs	Pay Cost*	Annual Additional Hours
Social Care	37	39	1,256	€77,585,790	130,624
Social Work	35	37	1,669	€106,756,031	173,576
Other Health Professionals / Support staff	35	37	499	€30,586,209	51,896
Administrative Grades (III - VII)	35	37	955	€43,092,557	89,770
Management (VIII +)	35	37	218	€20,629,339	20,492
Total	2 hours		4,598	€279 million	466,358

Source: IHB workings, based on data provided to the Independent Body by DPER.

Notes. *Pay cost data refers to overall payroll expenditure and was provided by DPER. Data rounded to the nearest whole number.

Operational, administrative, and service-delivery implications of a reduction in working hours

The Employer submission cautions that the supply of graduates in social work has been a significant challenge, and that this would have been compounded without the HRA hours. As outlined earlier, grades relating to Social Care and Social Work accounted for 63.6% of FTEs in the Agency at end-2020.

However, the submission states that all staff support the delivery of the Agency's services, and therefore, it is not feasible to quantify and differentiate the proportion of support to direct versus indirect service delivery, with replacement of lost time required across all grades.

To maintain the existing level of services, the Employer submission outlines that a range of mechanisms (such as recruitment, overtime, agency staff, rostering changes and productivity measures) would be required to alleviate the impact of a reduction in working time across services. A specific reference is made to rosters used in Children's Residential Services, with any revision to these rosters potentially resulting in a greater reliance on costly agency staff.

In engagement with the Independent Body, Tusla outlined that any reduction in hours would require replacement to ensure:

- · Existing levels of services are maintained;
- Service improvements and developments are supported;
- · Structural Organisation Reform is supported;
- · Low levels of agency use;
- · Only essential levels of overtime use;
- Current rosters in Children's Residential Services are maintained; and,
- Increased use of private providers is avoided (for residential services).

Summary Points

In line with its terms of reference, the Independent Body has given due consideration to the issues arising in addressing the additional working hours in Tusla, and has found the following:

- FTE numbers have grown consistently since the organisation was established. There were 33.2% more FTEs in 2020 than in 2014. At end-2020, there were 4,598 FTEs in Tusla, performing an estimated volume of 466,358 additional hours, annually.
- When Tusla was established in 2014, the HRA hours were already in effect. As such, the Employer submission states that the additional hours have been integrated into existing levels of service delivery.
- The Employer submission highlights that the additional hours have assisted in addressing an increased demand for services, and have facilitated a reduction in waiting lists of cases awaiting allocation. The hours have also helped to offset the need for further increases in FTEs.
- The Employer submission highlights that the supply of graduates in grades such as social work has been a significant challenge. The Independent Body is of the view that a reduction in working hours may assist in making recruitment more attractive to potential staff.
- The Independent Body notes that a reduction in working time for management grades in Tusla would not have a material impact on this cohort, considering that they regularly work in excess of the hours requirement.

Appendix

Terms of Reference

Section 4 of the Building Momentum Agreement ("Additional Working Hours")

An independent body will be established by end March 2021 to assess issues arising in addressing this matter pertaining to the Haddington Road Agreement and make appropriate recommendations to be applied equitably across all affected grades, groups, categories and sectors. The body will consider, and fully take into account, submissions made by the parties to this Agreement and will be tasked to report by end 2021. As part of the deliberative process, the body, will consider:

- The context for the pay and productivity measures within the Haddington Road Agreement;
- The quantification and verification of the additional hours worked by the Haddington Road Agreement grade, group and sector;
- Any associated costs with reference to possible replacement mechanisms, e.g. rostering changes, productivity measures, recruitment, overtime/ premia payments, agency staffing;
- The operational, service delivery and administrative implications associated with any reduction in hourly work requirements, including the proportion of hours that support direct service delivery compared with those that provide indirect services;
- The manner in which additional hours contributed to more standardised Public Service terms and conditions:
- The varying application of the additional hours provision of the Haddington Road Agreement;
- Relevant overtime divisors.

Roll-out of the body's recommendations will be initiated within the lifetime of the current Building Momentum Agreement. In this regard, to enable commencement of the recommendations during 2022, on the publication of the Report, an envelope of €150m will be made available under this Agreement to be applied equitably across all affected grades, groups, categories and sectors. In the context of the 2023 estimates, having regard to available resources, on publication of the Report, the parties to this Agreement will engage proactively in relation to such provisions as are necessary to roll out any remaining recommendations.

Membership of the Body

- Kieran Mulvey, Chair (former Director General of the Workplace Relations Commission)
- David Denny (retired civil servant)
- Anne Tynan (retired civil servant)
- Liam Doran (former General Secretary of the Irish Nurses and Midwives Organisation)
- Peter McLoone (former General Secretary of IMPACT)
- Margaret Considine (President of the Mediators' Institute of Ireland, CEO and Founder of EQuita Consulting Ltd.)
- Jenny Smyth (Senior Client Partner, with Korn Ferry)

