

Circular Title: **Application of 1 April 2018 pay adjustments**

A Dhuine Uasail,

I am directed by the Minister for Public Expenditure and Reform to convey the following instructions to Departments / Offices with regard to the application of adjustments to civil service pay in accordance with the Financial Emergency Measures in the Public Interest (FEMPI) Act 2015 and the Public Service Pay and Pensions Act 2017.

To: HR Manager / Personnel Officer in each Department and Office

Circular Number: Circular 04/2018

Purpose: To set out the adjustments to the pay of certain civil servants on 1 April 2018 as provided for under the Financial Emergency Measures in the Public Interest (FEMPI) Act 2015 and the Public Service Pay and Pensions Act 2017.

File Reference: E107/006/2015

Relevant Legislation: Financial Emergency Measures in the Public Interest (No. 2) Act 2009;
Financial Emergency Measures in the Public Interest Act 2013;
Financial Emergency Measures in the Public Interest Act 2015;
Public Service Pay and Pensions Act 2017.

Effective From: 1 April 2018

Mise le meas,



Colin Menton

Assistant Secretary

Remuneration, Industrial Relations and Pensions

1. Application

- 1.1. This circular applies to certain civil service grades.
- 1.2. The pay adjustments should be applied, as appropriate, from **1 April 2018**.

2. General

- 2.1. This circular sets out the pay restoration due on 1 April 2018 as provided for in the Financial Emergency Measures in the Public Interest (FEMPI) Act 2015 and the Public Service Pay and Pensions Act 2017 (“the Act”).
- 2.2. This circular provides for one third of pay restoration for certain public servants who were subject to pay adjustment under FEMPI 2013 / the Haddington Road Agreement (“the HRA reduction”).
- 2.3. The adjustments should be rounded to the nearest euro on annual paycales and to the nearest cent on weekly paycales. Hourly rates should be rounded to the nearest €0.001.

3. Restoration of the HRA reduction

- 3.1. In accordance with section 6C of the FEMPI (No. 2) Act 2009 (as inserted by section 3 of the FEMPI Act 2015), the following adjustments to annualised salaries will be applied with effect from **1 April 2018** for those whose annual remuneration is in excess of €110,000 **immediately after** the HRA reduction:
 - One third of the amount of the reduction incurred under the FEMPI Act 2013 / the Haddington Road Agreement will be restored.
- 3.2. Revised paycales for members of general service grades to which this circular applies are set out in the Appendices to this circular.

4. Further Pay Related Circulars

- 4.1. A further circular will issue with regard to the pay adjustments due on **1 October 2018**.

5. Possible Anomalies

- 5.1. The application of adjustments under paragraph 3.1 above may result in the basic salary of a public servant being higher than the basic salary applicable to a higher point on that public servant's payscale.
- 5.2. To address this anomaly, the Minister for Public Expenditure and Reform has made a Direction under section 16 of the Act to **temporarily** amend any incremental scale of a public servant in such a manner as the Minister thinks fit to avoid a substantial inequity arising.
- 5.3. Departments / Offices are reminded to ensure that any increment points that benefitted from an adjustment as a result of such increment "**leapfrogging**" with effect from 1 January 2018 are regularised prior to the restoration being applied. (This Department's guidance note dated 21 December 2017 refers).
- 5.4. While no such anomaly arises in respect of the revised payscales in appendices to this circular, Departments should consult with this Department where such anomalies are identified.

6. Overtime

- 6.1. Payment in respect of overtime rendered on or subsequent to 1 April 2018 by members of grades to which this circular applies should be calculated by reference to the revised pay rates with effect from 1 April 2018.

7. Officers on Mark-Time

- 7.1. For officers on mark-time, both notional and mark-time pay will be revised with effect from 1 April 2018.

8. Premium Rates of Pay

- 8.1. Premium rates of pay payable in respect of or subsequent to 1 April 2018 which are calculated as specific percentage or specified proportion of basic salary should be calculated by reference to the revised rates of pay with effect from 1 April 2018.

9. Allowances

- 9.1. Allowances which are calculated as a specific percentage or specified proportion of basic pay should be calculated by reference to the revised rates of pay with effect from 1 April 2018.
- 9.2. Fixed allowances remain unchanged.
- 9.3. Children's allowances, both standard and ex-gratia, remain unchanged.

10. Pension Entitlement "Grace Period"

- 10.1. Departments are reminded that for the purposes of calculating pension and lump sum awards at retirement, the pay reductions applied under the FEMPI Act 2013 are disregarded for persons who retire from the public service up to 1 April 2019.
- 10.2. This "grace period" is provided for originally under section 9 of the FEMPI Act 2013, and has been extended to 1 April 2019 by S.I. No. 547 of 2015.
- 10.3. The "grace period" protection in respect of the FEMPI 2013 pay reductions will only continue to apply in respect of public servants with post-HRA remuneration in excess of €110,000, who will not have achieved full restoration of the FEMPI Act 2013 salary adjustment until 1 April 2019.
- 10.4. Public servants who retire during the grace period may benefit by having their pensions and retirement lump sums calculated by reference to salary rates which discount the impact of the FEMPI Act 2013 salary adjustments applying to salaries in excess of €65,000.
- 10.5. It should also be noted that public servants who retire during the grace period are entitled to have any impact on pay arising from the FEMPI 2013 suspension of the operation of a pay scale i.e. increment freeze or delay, discounted in the calculation of their pension and lump sum awards.

11. Queries

- 11.1. Individual queries in relation to this circular should be raised in the first instance with PeoplePoint or, where applicable, with local HR Units.
- 11.2. Departments who experience difficulties that arise in the application of this circular should raise the matter with this Department via email to payscales@per.gov.ie.
- 11.3. This circular is also available at www.circulars.gov.ie.

Revised payscales with effect from 1 April 2018 for General Service grades.

SECRETARY GENERAL I

€197,117

SECRETARY GENERAL II

€187,350

SECRETARY GENERAL III

€177,567

DEPUTY SECRETARY

€162,867

ASSISTANT SECRETARY

€126,333 €132,045 €138,233 €144,421

Revised payscales with effect from 1 April 2018 for established employees appointed on or after 6th April 1995 paying the Class A rate of PRSI contribution and making an employee contribution in respect of personal superannuation benefits (PPC) for General Service grades.

SECRETARY GENERAL I (PPC)

€197,117

SECRETARY GENERAL II (PPC)

€197,117

SECRETARY GENERAL III (PPC)

€186,836

DEPUTY SECRETARY (PPC)

€171,377

ASSISTANT SECRETARY (PPC)

€132,948 €138,959 €145,474 €151,974