

***(Note: This letter supersedes the previous version of the letter issued on 17 January 2018. This version incorporates amendments to Point 2 of the Assistant Secretary PPC payscale listed in the Appendix)***

File Ref: DPE101/002/2017

23 January 2018

**Application of Pensionable Rate of Pay in accordance with Section 9 of the Financial Emergency Measures in the Public Interest (FEMPI) Act 2010**

Dear HR Manager / Personnel Officer,

As you may be aware, the Minister for Finance made a number of determinations under section 6 of the FEMPI (No. 2) Act 2009 to lessen the reduction that applied to certain grades, as a result of the termination of their Performance-Related Award schemes. However, in accordance with section 9A of that Act (inserted by Section 9 of the FEMPI Act 2010), any such determination does not apply in respect of the calculation of retirement benefits (pension and lump sum).

As such, a “Pensionable Rate of Pay” is in effect for these grades. This Pensionable Rate of Pay is derived from the full application of the FEMPI (No. 2) reduction in remuneration for those grades.

Owing to a number of queries received by this Department, this letter sets out the position in respect of this Pensionable Rate of Pay, particularly in the context of the pay increases provided for in the Public Service Pay and Pensions Act 2017.

In the civil service, a Pensionable Rate of Pay applies to:

- Assistant Secretaries;
- Deputy Secretaries appointed prior to 1<sup>st</sup> July 2010.

This Pensionable Rate of Pay also applies to certain CEOs of Non-Commercial State Bodies who also benefitted from a Ministerial determination arising from the termination of their PRA.

**1. Calculation of Retirement Benefits**

A Pensionable Rate of Pay is used for the calculation of pension entitlements (pension and lump sum) for those who retire on or after 1 March 2012.

Individuals who retire prior to **1 April 2019** will have their pension entitlements calculated by reference to the Pensionable Rate of Pay applicable on 1<sup>st</sup> January 2010.

This is in accordance with the FEMPI “grace period” which discounts the additional HRA cut (SI 547/2015 – Public Service Pension Rights (No. 2) Order 2015 refers).

## **2. Treatment of Pension Contributions**

Pension contributions should be collected on the **current** Pensionable Rate of Pay. Please note that this rate differs (i.e. is lower) than the Pensionable Rate of Pay used to calculate pension benefits for individuals who retire under the FEMPI grace period (Paragraph 1 refers).

The gross salary and Pensionable Rate of Pay applicable from 1 January 2010 to 1 April 2019 are set out in the Appendix of this letter.

## **3. Treatment of members of the Single Public Service Pension Scheme who are members of a grade to whom a Pensionable Rate of Pay applies**

The Pensionable Rate of Pay does not apply to Single Scheme members.

Accordingly, referable amounts accrued in respect of pensionable service by Single Scheme members should be calculated by reference to **pensionable remuneration**, as defined in section 5 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

Pension contributions for members of the Single Scheme should also be collected in the normal way on **pensionable remuneration**.

## **4. Queries**

Individual queries in relation to this letter should be raised in the first instance with PeoplePoint or, where appropriate, with local HR Units.

Departments/Offices who experience difficulties that arise in the application of this letter should raise the matter with this Department via email to [payscales@per.gov.ie](mailto:payscales@per.gov.ie) with the subject line “Pensionable Rate of Pay”.

Departments/Offices should ensure that the information in this letter is conveyed to any relevant public service bodies under their aegis.

Yours sincerely,



Peter Brazel  
Principal  
Remuneration, Industrial Relations and Pensions Division

**Gross Salary and Pensionable Rate of Pay (PRP) for Assistant Secretary and pre-2010 Deputy Secretary grades (PPC)**

Date	PPC					Pre-2010 Deputy Secretary
		Assistant Secretary				
		1	2	3	NMAX	
<b>Sep-08</b>		€138,683	€144,986	€151,816	€158,644	€186,891
<b>Jan-10</b>	Gross	€134,523	€140,636	€147,262	€153,885	€176,800
	PRP*	€127,588	€133,387	€139,671	€145,952	€164,464
<b>Jul-13</b>	Gross	€125,761	€131,385	€137,481	€143,535	€164,388
	PRP	€119,381	€124,716	€130,497	€136,276	€153,162
<b>Apr-17</b>	Gross	€128,682	€134,469	€140,741	€146,985	€168,525
	PRP	€122,117	€127,606	€133,555	€139,501	€156,929
<b>Jan-18</b>	Gross	€130,027	€135,875	€142,214	€148,524	€170,293
	PRP	€123,393	€128,940	€134,952	€140,961	€158,574
<b>Apr-18</b>	Gross	€132,948	€138,959	€145,474	€151,974	€174,431
	PRP	€126,128	€131,831	€138,010	€144,187	€162,341
<b>Oct-18</b>	Gross	€134,306	€140,379	€146,962	€153,528	€176,216
	PRP	€127,417	€133,178	€139,420	€145,661	€164,002

PRP\* = This rate is used to calculate **Pension Benefits** for individuals who retire from 1 March 2012 to 1 April 2019

*(This revised letter incorporates amendments to Point 2 of the Assistant Secretary PPC payscale)*

**Gross Salary and Pensionable Rate of Pay (PRP) for Assistant Secretary and pre-2010 Deputy Secretary grades (Non-PPC)**

NON-PPC						
Date	Assistant Secretary					Pre-2010 Deputy Secretary
	1	2	3	NMAX		
<b>Sep-08</b>	€131,748	€137,737	€144,225	€150,712		€177,547
<b>Jan-10</b>	Gross	€127,796	€133,605	€139,898	€146,191	€168,000
	PRP*	€121,208	€126,718	€132,687	€138,655	€156,241
<b>Jul-13</b>	Gross	€119,572	€124,917	€130,706	€136,496	€156,380
	PRP	€113,511	€118,581	€124,072	€129,563	€145,679
<b>Apr-17</b>	Gross	€122,313	€127,813	€133,770	€139,728	€160,253
	PRP	€116,077	€121,293	€126,944	€132,594	€149,200
<b>Jan-18</b>	Gross	€123,591	€129,149	€135,169	€141,190	€161,933
	PRP	€117,289	€122,561	€128,271	€133,980	€150,762
<b>Apr-18</b>	Gross	€126,333	€132,045	€138,233	€144,421	€165,807
	PRP	€119,855	€125,273	€131,142	€137,011	€154,283
<b>Oct-18</b>	Gross	€127,623	€133,394	€139,646	€145,898	€167,503
	PRP	€121,079	€126,553	€132,482	€138,411	€155,861

PRP\* = This rate is used to calculate **Pension Benefits** for individuals who retire from 1 March 2012 to 1 April 2019