

# ORGANISING FOR FAIRNESS AT WORK AND JUSTICE IN SOCIETY

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#### Statement by the SIPTU National Executive Council on the Proposals for a Public Service Stability Agreement 2018 - 2020

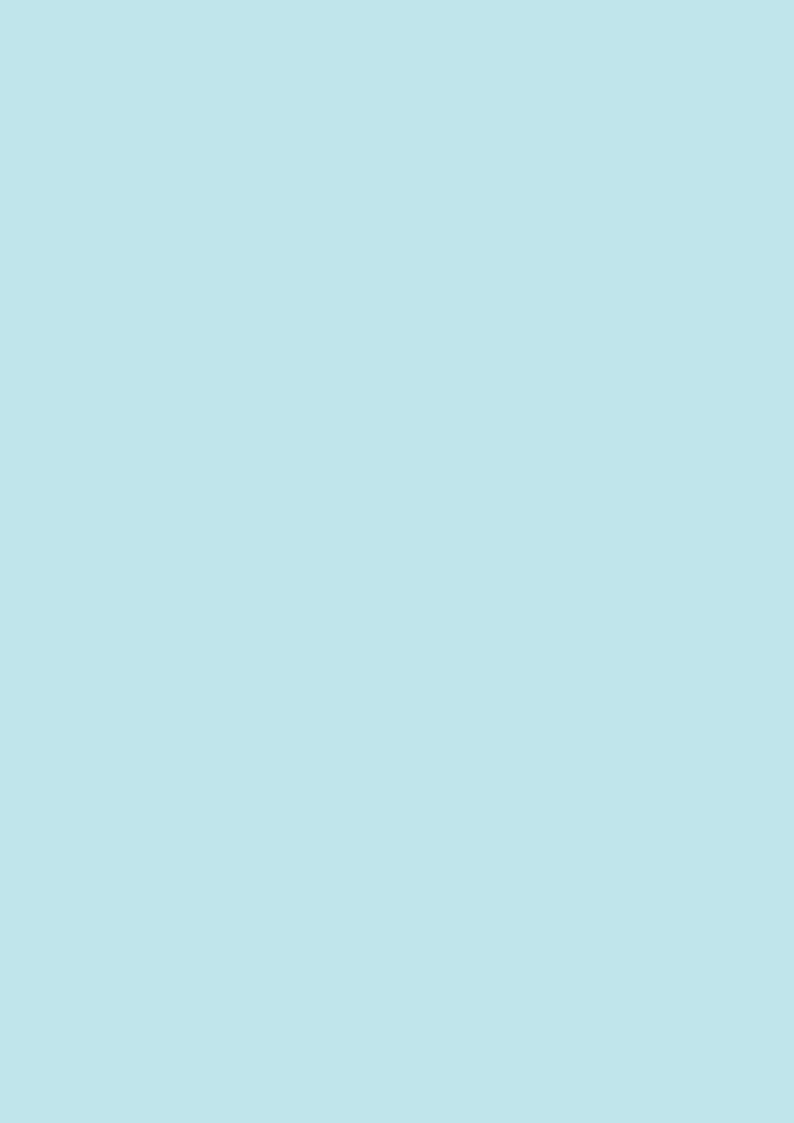
The National Executive Council of SIPTU met on Thursday, 22nd June 2017, to consider the proposals for a Public Service Stability Agreement 2018 - 2020.

Having considered the matter in full, we have decided to recommend acceptance of the proposals, on balance, as the benefits, such as the protections against outsourcing in particular, as well as other positive elements, outweigh the potential for what might be gained by running the risk of rejection.

In the event of acceptance, we will vigorously pursue implementation of all elements of the proposals. In particular, we will insist on full implementation of Clause 4.1.3. which envisages a process to satisfactorily resolve the issue of pay for new entrants.

Balloting of members will commence on Monday, 3rd July and conclude on Wednesday, 9th August. Counting of votes will take place on Thursday, 10th August.

SIPTU National Executive Council 22nd June 2017



## **SIPTU Explanatory Summary**

#### **Proposed Agreement**

- Represents an Extension of Lansdowne Road Agreement
   (Pay proposal to commence 9 months before expiry of LRA)
- Extension to December 2020
- All Existing Dispute Resolution Procedures (including Sectoral Agreements) continue to apply (Disputes Referral – 4 weeks)

#### Key issues negotiated

- Removal of FEMPI Legislation
- Protections Against Outsourcing
- Pay Restoration
- Redeployment
- Progress on Allowances
- Progress on Overtime
- Outstanding Adjudications
- New Entrants' Rates
- Recruitment and Retention
- HRA Additional Hours
- Members involved in Reform Process

#### Main non-pay/Pension Public Service Proposals

- No Change to Outsourcing Provisions of LRA
- No Change to Working Hours
- No Extension of Saturday Working Facility to Review Rostering Arrangements (no change without agreement)
- End to PRD on Non-Pensionable Earnings, including Overtime and Allowances
- Process to address Longer Pay Scales for New (post-2010) Entrants
- Process to examine Outstanding Adjudications
- Process to examine Recruitment and Retention Problems
- No Increase in Coru, NMBI and Other Regulatory Body Fees, over Lifetime of Agreement
- Commitments on Work/Life Balance

For full details of the proposals, consult the final text of the WRC Proposed Agreement, see page 15.

#### **Retention of Service Delivery Option (Outsourcing)**

#### Section 3.3.5. of the LRA:

Commitment to the use of direct labour, to the greatest possible extent, reaffirmed and strengthened

Consistent with efficient and effective delivery of public services

"In the context of the greater flexibility now available to manage and prioritise staffing levels in each public service body, in response to demands for public services, this commitment to the use of direct labour to the greatest possible extent must be considered by the Parties." The parties to seek to resolve disputes through dialogue:

"Where this fails to resolve the issue, the Parties shall use the dispute resolution mechanism set out in paragraphs 4 and 6 of this Agreement. The processes set out in paragraph 6 of the "Service Delivery Options" document must be undertaken prior to any outsourcing of an existing service taking place, and in the evaluation process referred to in that paragraph, any cost comparisons shall exclude the totality of labour costs."

Paragraph 6 of the LRA makes provision for the "adjudicating" in the event of a dispute regarding compliance with the outsourcing provisions of the agreement by the Oversight and Governance arrangements

#### **Public Service Pay Proposals**

Year	Pay Increase
2018	1% on 1st January 1% on 1st October
2019	1% on 1st January (salaries up to €30,000) 1.75% on 1st September
2020	0.5% on 1st January (salaries up to €32,000) 2% on 1st October

#### Public Service PRD Proposals (Pension Related Deduction)

Date	Increase in Pension Levy Threshold
1st January 2019	Up from €28,750 to €32,000
1st January 2020	Up from €32,000 to €34,500

\*\*\*\* with effect from 1st January 2019 - PRD on Pensionable Earnings ONLY \*\*\*\*

### Summary of Benefits to the Individual 2018-2021

Non-Single Scheme - PRE-2013						
Salary Range	Revised Average Pay	Pay Increase	PRD Benefit Non Single Scheme	Total Benefit Non Single Scheme	% Benefit Non Single Scheme	Remaining PRD
0-25,000	€24,175	€1,675	€0	€1,675	7.4%	€0
25000-30,000	€29,547	€2,047	€0	€2,047	7.4%	€0
30000-35000	€34,409	€1,909	€375	€2,284	7.0%	€0
35000-40000	€39,703	€2,203	€575	€2,778	7.4%	€520
40000-45000	€44,997	€2,497	€575	€3,072	7.2%	€1,050
45000-50000	€50,290	€2,790	€575	€3,365	7.1%	€1,579
50000-55000	€55,584	€3,084	€575	€3,659	7.0%	€2,108
55000-60000	€60,878	€3,378	€575	€3,953	6.9%	€2,642
60000-65000	€66,172	€3,672	€575	€4,247	6.8%	€3,198
65000-70000	€71,465	€3,965	€575	€4,540	6.7%	€3,754
70000-75000	€76,759	€4,259	€575	€4,834	6.7%	€4,310
75000-80000	€82,053	€4,553	€575	€5,128	6.6%	€4,866
80000-85000	€87,347	€4,847	€575	€5,422	6.6%	€5,421
85000-90000	€92,640	€5,140	€575	€5,715	6.5%	€5,977
90000-95000	€97,934	€5,434	€575	€6,009	6.5%	€6,533
95000-100000	€103,228	€5,728	€575	€6,303	6.5%	€7,089
100000-125000	€119,109	€6,609	€575	€7,184	6.4%	€8,756
125000-150000	€145,578	€8,078	€575	€8,653	6.3%	€11,536
150000-185000	€177,340	€9,840	€575	€10,415	6.2%	€14,871
185000+	€211,749	€11,749	€575	€12,324	6.2%	€18,484

Single Scheme – POST-2013					
Salary Range	PRD Benefit Single Scheme	Total Benefit Single Scheme	% Benefit Single Scheme	Remaining PRD	
0-25000	€0	€1,675	7%	€0	
25,000-30,000	€0	€2,047	7%	€0	
30,000-35,000	€375	€2,284	7%	€0	
35,000-40,000	€775	€2,978	8%	€173	
40,000-45,000	€1,109	€3,605	8%	€350	
45,000-50,000	€1,442	€4,233	9%	€526	
50,000-55,000	€1,776	€4,860	9%	€702	
EE 000 60 000	£2 100	£E 407	100/	£000	

Tail of FEMPI - 2021				
Salary Range	Total Numbers	Individual Outstanding PAY	% Pre Cut Pay	
0-25000	18,003	2,094	109%	
25,000-30,000	17,481	1,938	107%	
30,000-35,000	48,091	1,514	105%	
35,000-40,000	40,152	1,080	103%	
40,000-45,000	45,012	965	102%	
45,000-50,000	32,532	851	102%	
50,000-55,000	22,258	738	101%	
55,000-60,000	27,080	624	101%	
60,000-65,000	18,835	511	101%	
65,000-70,000	10,865	457	101%	
70,000-75,000	7,503	-998	99%	
75,000-80,000	6,241	-1,271	98%	
80,000-85,000	3,161	-1,546	98%	
85,000-90,000	2,312	-1,787	98%	
90,000-95,000	1,210	-2,062	98%	
95,000-100,000	1,054	-2,337	98%	
100,000-125,000	1,605	-3,127	97%	
125,000-150,000	1,476	-3,878	97%	
150,000-185,000	1,472	-13,001	93%	
185000+	489	-23,545	90%	

#### **Public Service Pension Proposals**

- No Change in Value of Pension
- No Move to CPI Link for Duration of Agreement (for pre-2013 schemes)
- No Career Average for Future Service (for pre-2013 schemes)
- Pre-2013 Higher Rate for those above €34,500
   migrated as Permanent Pension Contribution (non-Single Scheme);
- Fast Accruals Highest Rate migrated as Permanent Pension Contribution;
- Post-2013 Lowest Rate for those above €34,500
   migrated as Permanent Pension Contribution (Single Scheme).

For full Pension Proposals please refer to final text of WRC Proposed Agreement, see page 15.



# Frequently asked questions regarding the Lansdowne Road Proposals

#### What do the proposals mean for my | What about restoration of the income overall?

- By 2020, more than 90% of public servants will be out of FEMPI pay provisions, and almost a quarter will have exited FEMPI pension levy
- 73% of public servants gain more than 7% by 2020
- 1st January 2018: 1% pay adjustment
- 1st October 2018: 1% pay adjustment
- 1st January 2019: Pension levy threshold up from €28,750 to €32,000 (worth €325pa)
- 1st January 2019: 1% pay adjustment for those earning less than €30,000
- 1st September 2019: 1.75% pay adjustment
- 1st January 2020: Pension levy threshold increased to €34,500 (worth €250pa)
- 1st January 2020: 0.5% pay adjustment for those earning less than €32,000
- 1st October 2020: 2% pay adjustment

The Lansdowne Road agreement was due to expire in September 2018. The proposed Public Service Stability Agreement implements the first tranche of pay restoration from January 2018.

- Combination of pay and pension levy adjustments worth 7.4% to those earning €30,000 a year or less, over lifetime of proposals.
- Combination of pay and pension levy adjustments worth between 7% and 7.4% to those earning between €30,000 and €50,000 a year, over lifetime of proposals.
- Combination of pay and pension levy adjustments worth 7% to those earning between €50,000 and €55,000 a year, over lifetime of proposals.
- Combination of pay and pension levy adjustments worth between 6.6% and 6.9% for those between €55,000 and €80,000 a year, over lifetime of proposals.

This table sets out the combined pay and pension levy adjustments in different salary bands. Column 6 of the main table shows the total percentage adjustment for staff employed before January 2011 (excluding those with 'fast accrual' pension arrangements). Column 4 of the second table shows the same for staff employed after that date.

# **Haddington Road pay cuts?**

The 2011 Haddington Road agreement introduced temporary pay cuts for staff who earned €65,000 a year or more. This was a third pay cut, which didn't apply to staff on less than €65,000 a year. The restoration of these cuts began in April 2017. Full restoration of this cut will be implemented, as previously agreed, on 1st January 2018.

#### What is the position for 'new entrants' - people who started work after 2011?

It should be recalled that unions secured an agreement in 2013 to merge the new entrant pay scales with the pre-existing pay scales. The new entrant pay scales had been introduced by the Government in 2011, without agreement. The effect of the 2013 improvement was to place the new entrants on the old rates albeit with two additional incremental points. The proposals would establish a 12-month process in which the Public Service Pay Commission will explore how best to improve scales that were lengthened. Unions wanted to remove some scale points to boost incomes for new entrants and equalise the number of years it takes for pre- and post- 2010 entrants to reach the top of pay scales. However, management refused to simply remove the two additional scale points, which were added to the bottom of many pay scales. These points were introduced as part of the deal that did away with entirely different pay scales – worth 10% less than older staff on every point of the scale – which were imposed without agreement.

#### Is the pension levy being clawed back through additional pension contributions?

Between 2018 and 2019 the pension levy ceiling will be increased from €28,750 to €34,500 for all staff except those who benefit from 'fast accrual' pension arrangements. This will be worth a total of €575 per year. The remainder will remain as an additional pension contribution.

Staff who joined the public service on or after 1st January 2013 will pay a smaller additional contribution. This reflects the fact that their pension benefits are less favourable than staff who joined before that date.

Staff who are currently on 'fast accrual' pension arrangements (i.e. where it takes fewer years' service to accrue full pension benefits) will make additional pension contributions.

SIPTU has worked to ensure the highest possible threshold for the additional pension benefits. And we also ensured that the value of pensions is unchanged, despite suggestions that future pension years would be calculated on a less-valuable 'career average' basis, and that future pension increases should be linked to inflation rather than pay movements.

Going into the talks, the Government was adamant that public servants should pay more towards their pensions. This was on foot of a Public Service Pay Commission (PSPC) recommendation, which said pension contributions should increase to reflect the fact that public service pensions are worth more, on average, than those in the private sector. Under the circumstances, it wasn't possible to simply ignore a specific PSPC recommendation.

# What's been agreed on outsourcing and agency staffing?

There has been no change to existing outsourcing protections which SIPTU secured in the Croke Park, Haddington Road and Lansdowne Road Agreements.

Management wanted to water down existing protections that require them to consult with unions and produce a business plan setting out the case for what they call 'external service delivery' if they want to outsource a service or part of a service. Crucially, management cannot cite labour costs (i.e. pay) as part of the business plan. They also wanted to amend the rules to allow projects worth €10 million or less to be outsourced without reference to existing protections and without any consultation.

This is a considerable victory for SIPTU and the wider trade union movement as abandoning the 'labour cost' provision would mean pretty much every business case would support outsourcing — on the basis of minimum

wage and rock-bottom workers' rights — regardless of the impact on service quality and worker protections. We have avoided public sector workers being exposed to that risk in these talks.

On agency staffing, the proposals require management to engage with unions with a view to minimising the use of agency staff as much as possible.

# Will I have to work Saturdays if I back these proposals?

No. The proposals allow for reviews of rostering arrangements if service needs or operational needs suggest they might be necessary. But they also acknowledge the need for rosters to ensure 'predictability of attendance,' and say no roster changes can be introduced without agreement.

# Is there any reduction in working time?

There is no general reduction in working hours. However, there is new provision that gives staff the option of a permanent return to 'pre-Haddington Road' hours on the basis of a pro-rata pay adjustment. Staff can opt into this arrangement at the beginning of a new deal (January-April 2018) or at the end (January-April 2021).

There is also provision to convert annual leave into flexitime, which could help staff with temporary need for more flexible working arrangements.

Although these two provisions fall far short of the restoration of additional hours, they at least give options to staff for whom time is more important than money. This was the best outcome available in the current talks.

Unions wanted a return to pre-2011 hours. However, the Minister for Finance, Public Expenditure and Reform, Paschal Donohoe, and his officials were adamant that they would not do a deal that restored working time lost under previous agreements (the so-called 'Croke Park hours'). Unions repeatedly raised the issue, but the other side would not budge, saying the additional working time was worth a total of over €583 million to €621 million a year – money that would, in any case, come out of the pay-restoration pot, if conceded.

# Will my Saturday premium payment disappear if I back these proposals?

No. There will be no change to existing Saturday premium payments.

# Are there any changes to overtime payments?

From the outset in January 2019, non-pensionable overtime payments would no longer be subject to the pension levy. This would increase the value of overtime payments by around 10%.

Unions called for the full restoration of overtime rates, which were cut during the emergency, but management was not prepared to concede this in the context of other aspects of income restoration.

There is no change to the civil service overtime divisor.

# Does it address the mandatory retirement age?

The proposals concede that issues for employees who must retire at 65 now that the state pension is paid at age 66, "need to be addressed as soon as possible". Commitment that unions will be consulted over Government proposals on the matter.

#### Work-life balance

The proposals commit management to ensure that work-life balance arrangements (including flexible working) are available to the greatest possible extent across the public service. They say disputes of local and sectoral implementation of work-life balance arrangements can be processed through normal disputes resolution processes. And they say management in each sector must monitor progress on gender balance in career progression.

#### Recruitment and retention issues

The proposals say unions can make submissions to the Public Service Pay Commission on recruitment and retention issues identified in its report. The Commission will then do an analysis of the causes of the problems in each specific area and recommend options to deal with them by the end of 2018. The implementation of the Commission's recommendations will then be considered by unions and management.

The proposals also commit the parties "to discuss" more open recruitment "where this is appropriate to meet particular organisational needs."

It also includes safeguards over the use of internships, clinical placements, work experience and job activation measures by saying there must be "agreement on protocols" on cooperation with such programmes.

#### Starting pay on promotion

The proposals acknowledge barriers to mobility in the public service and contains a commitment to a review of the current arrangements on starting pay and transfer and promotion in the public service.

# CORU, NMBI and other professional registration fees

The proposals would fix CORU, NMBI and other professional registration fees at their current rate, at least until the expiry of the proposed agreement in December 2020.

#### **Outstanding adjudications**

The proposals contain a commitment to a process to deal with outstanding adjudications, "having due regard to their continued validity and cost", which will conclude by the end of September 2018.

# Is there anything on performance management?

The proposals require performance management systems to be introduced in parts of the public service where they aren't already in place.

#### Other productivity measures

The proposals say productivity measures set out in the Lansdowne Road agreement will continue to apply and will be updated to reflect various renewal policies, which are named in the text.

# Do the proposals prohibit strikes/industrial action?

As with all previous public service agreements, industrial action is ruled out in situations where the employer is abiding by the agreement. As usual, the proposals include a binding process for dealing with problems that arise without recourse to industrial action. These restrictions do not extend to matters not covered by the agreement.

# Why did the negotiations happen now?

The Lansdowne Road agreement (LRA) is due to expire in September 2018, although there were no further pay adjustments scheduled between now and then. For over a year, the unions have been seeking accelerated pay restoration.

Initially, the Government resisted, but last December it conceded the point following the publication of Labour Court recommendations on Garda pay. On foot of talks with unions, the Government agreed to (1) bring forward a scheduled 2017 pay adjustment of €1,000 a year from September to April 2017 and (2) to open talks in May on an extension to the LRA.

By bringing the process forward, under these proposals SIPTU and other unions can achieve acceleration of pay restoration from September 2018 to January 2018, if they are accepted by members in the public service.

# What would be the duration of the proposed deal?

It would run from 1st January 2018 to 31st December 2020.

# Public Service Stability Agreement 2018-2020

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#### 1. Introduction

#### 1.1. Extension of the Lansdowne Road Agreement

1.1.1. This Agreement is an extension of the Lansdowne Road Agreement and applies for the period 1
January 2018 to 31 December 2020. Provisions of the Lansdowne Road Agreement (and earlier agreements as appropriate) continue to apply, save where varied by this Agreement.

#### 1.2. Economic and Fiscal Context

- 1.2.1. The Parties specifically recognise the contribution made by public servants to the recovery of the Irish economy through both increased productivity and reductions in their remuneration. In particular, the Parties note the €2.2 billion savings per annum achieved through measures introduced under the Financial Emergency Measures in the Public Interest Acts 2009-2013.
- 1.2.2. These discussions have taken place against the backdrop of improved performance of the economy but in an environment where significant fiscal challenges and constraints remain and where substantial risks to the economy exist, not least Brexit.

#### 1.2.3. In particular:

- Ireland is still recording a headline deficit and must continue to reduce the gap between revenue and expenditure.
- Forecasts for 2017 in the Stability Programme Update is for a General Government Deficit of 0.4 per cent of GDP, or €1.2 billion. These projections however are predicated on the continued operation of the Financial Emergency Measures in the Public Interest Acts 2009-2013 as ameliorated by the Financial Emergency Measures in the Public Interest Act 2015.
- Moreover, the rules of the preventive arm of the Stability and Growth Pact require improvements in the structural budget balance each year until the Medium Term Budgetary Objective, a structural deficit of 0.5 per cent of GDP is achieved. This in turn can only be delivered by fiscal prudence, and avoiding excessive increases in expenditure or tax cuts.
- 1.2.4. The parties note the analysis of the Public Service Pay Commission in relation to the economic and fiscal environment, which stated that "risks in the form of Brexit and domestic competitiveness have the potential to pose significant challenges to the Irish economy and the national finances. Overall the constraints on the national finances have reduced considerably since 2010, however the levels of debt remain elevated following the fiscal crisis. While the medium term position is expected to continue to improve...Government must continue to act prudently regarding the management of the national finances."
- 1.2.5. Accordingly, in reaching this Agreement, the parties have given particular recognition to the uncertain but potentially significant risk for Ireland associated with Brexit.
- 1.2.6. Improvements in the economy have allowed the Government to begin a policy of unwinding FEMPI legislation for public servants under the Public Service Stability Agreement 2013-2018.
- 1.2.7. It is intended that this Agreement will facilitate the final unwinding of the FEMPI legislation.

  However, in acknowledgement of the economic and fiscal context outlined above, and the need for

sustainability and continued prudence in pay bill management, the Parties are agreed that this final unwinding shall be on a phased basis and that any Act necessary to effect the changes out lined herein will reflect such phasing.

- 1.2.8. The Parties recognise the importance of a stable industrial relations environment for the public service and for those who depend on public services across society. They commit to maintaining a stable environment to avoid disputes that would affect levels of service to the public through the industrial peace, dispute resolution and governance provisions set out in this Agreement.
- 1.2.9. The public service pay provisions of this Agreement are dependent, in the case of each sector, organisation and grade, on satisfactory achievement of the provisions on cooperation with flexibility and ongoing change; satisfactory implementation of the agenda for reform and productivity set out in this Agreement and the maintenance of stable industrial relations and the absence of industrial action in respect of matters covered by this Agreement.

# 2. Supporting ongoing reform and delivering productivity and accountability

# 2.1. Our Public Service 2020 - Development and Innovation Framework

- 2.1.1. Public service reform is a key priority for Government. Ongoing change is critical to ensuring that the public service can adapt to meet the challenges of a rapidly changing environment.
- 2.1.2. The parties note that the next phase of Public Service Reform Our Public Service 2020 Development and Innovation Framework is currently being developed and will be published later this year. It will seek to build on the progress made under the first two plans published in 2011 and 2014. The Framework is structured to support two high level goals of the plans, which are to improve outcomes for the public and to build resilient and agile public service organisations. Through a focus on outcomes, the Framework will promote a culture of continuous improvement and innovation across our public service.
- 2.1.3. This next phase of public service reform will focus on ensuring strategy and policy formulation is robust, forward-looking and joined-up. Recognising that the success of our public service begins with our people, it will look to develop our people within strengthened organisations. There will be a strong emphasis on improving outcomes for citizens, improving engagement with customers and working to improve accessibility of services and the quality of services. To support the delivery of more efficient and cost-effective services, new approaches to services and also to the better use of our data will be embedded. To support the two high level goals, evaluation skills in policy making will be strengthened and value for money in spending decisions supported.

#### 2.2. Equality and Diversity

2.2.1. In implementing this Agreement, public service bodies shall have regard to the need to eliminate discrimination, promote equality and protect human rights, including for their staff.

#### 2.3. Delivering Greater Productivity

2.3.1. The Parties agree to the extension of the Public Service Stability Agreement 2013 – 2018 until December 2020. In this context, Paragraphs 3.1 to 3.5 relating to 'Delivering Greater Productivity' will continue to apply, with paragraph 3.2 to be updated to include the following:

'The Government's reform agenda includes but is not limited to the forthcoming "Our Public Service 2020 - Development and Innovation Framework" and: in the Civil Service - the Civil Service Renewal Plan; in the Education Sector - the Action Plan for Education 2016 - 2019 and underpinning strategies and developments, including the Further Education and Training Strategy; Curricular Reform within Schools; Action Plan to Expand Apprenticeship and Traineeship in Ireland 2016-2020; the National Skills Strategy 2025; the National Strategy for Higher Education to 2030; and the National Strategy to Improve Literacy and Numeracy (2011 to 2020); in the Local Government Sector - the Action Programme for Effective Local Government - Putting People First, and a continuing commitment to engagement on ongoing change and reform in the Fire and Water services in accordance with the terms of reference of the nationally established groups, i.e. the Fire Services National Oversight and Implementation Group (FSNOIG) and the Irish Water Consultative Group (IWCG), and the library service; in the Health Sector - major health reforms as determined by Government, including national strategies and health policies designed to support high quality care and maximise health outcomes, ongoing implementation of Healthy Ireland, the national framework for action to improve the health and wellbeing of the people of Ireland, and other reforms implemented following consideration of The Future of Health Care Oireachtas Committee report, including any associated structural reforms; in the Justice sector - the Modernisation and Renewal Programme 2016-2021, which includes the agreed recommendations of the Garda Inspectorate Report, "Changing Policing in Ireland", and any recommendations agreed by Government that will arise from the Commission on the Future of Policing in Ireland; and in the Prisons sector - the Irish Prison Service Strategic Plan 2016-2018. in the Defence sector - ongoing reform, modernisation and transformation initiatives, including in relation to the implementation of the White Paper on Defence, 2015.'

#### 2.4. Rostering

- 2.4.1. The main purpose of a roster system is to ensure that requisite staff cover is available to meet safe and efficient operational requirements, while providing flexibility for modern service delivery, and that individual staff members have sufficient predictability of attendance.
- 2.4.2. The parties are committed to undertaking ongoing reviews of rostering arrangements as appropriate to the service delivery and work operational needs of the sector concerned. Any such reviews will be comprehensive in scope taking into account the optimum allocation of staffing resources to meet particular local business requirements. Any changes made will be agreed and in the event of issues arising between the parties, the matter shall be referred to the LRA Oversight Body in the final instance.

#### 2.5. Time and Attendance

2.5.1. It is recognised by the parties that electronic time and attendance systems are an ongoing feature of best organisational practice in delivering efficient and responsive public services in the context of business needs. Time and attendance systems are necessary for: pay administration, HR sys

tems, data gathering, work rostering regimes and pension systems.

2.5.2. Where it is proposed to introduce, further develop, modernise through new technology or update time and attendance systems in public service organisations, there will be consultation and full adherence to the industrial relations clauses of this Agreement for the resolution of matters of mutual interest to the parties that may arise from change proposals in this regard. The development of time and attendance systems will have regard to legal requirements in respect of data protection, storage, appropriate use of information and employee privacy. Any changes made will be agreed and in the event of issues arising between the parties, the matter shall be referred to the LRA Oversight Body in the final instance.

#### 2.6. Professionalisation

- 2.6.1. The parties are agreed to full co-operation with any reskilling programmes for identified needs areas, such as ICT, HRM, finance and project management skills:
- 2.6.2. Such programmes will benefit all parties, by:
  - Allowing organisations to respond effectively to changing requirements and/or technological improvements.
  - Improving efficiencies within sectors.
  - Allowing sectors to develop clearly defined career structures and mobility opportunities for staff, where this is possible.

#### 2.7. Performance and Accountability

- 2.7.1. The parties are agreed that robust and appropriate performance management and individual accountability are essential and that systems to monitor these have made an important contribution thus far to the modernisation of the public service.
- 2.7.2. Compliance with this Agreement requires that appropriate performance management systems must be fully implemented in those sectors where they do not currently exist by 1 January 2019.

#### 2.8. Public Service Mobility

- 2.8.1. Paragraph 1.8 of the CPA provided for the elimination of barriers to a unified Public Service labour market. In this context it is recognised that certain barriers continue to exist which impede mobility and career progression opportunities for existing public servants.
- 2.8.2. Action 15 of the Civil Service Renewal Plan commits to the expansion of career progression and mobility opportunities for staff across geographic, organisational and sectoral boundaries.
- 2.8.3. Building on earlier work on the standardisation of terms and conditions of employment across the Public Service, the parties agree to review current arrangements for starting pay on transfer and promotion in the public service with a view to simplifying and modernising the current arrangements and removing impediments to cross sectoral mobility.

#### 2.9. Standardisation of Payroll Arrangements

2.9.1. The parties note the public service move to National Shared Service Centres for sectoral and back office functions in general and payroll services in particular. In this regard, the standardisation of pay

roll operations has the potential to maximise efficiencies and economies of scale across the public service. However, the parties are agreed there is an ongoing need to balance efficiencies from standardisation of pay roll functions with the reasonable needs of employees in relation to the payment of wages on a consistent basis at a mutually agreed pay interval.

2.9.2. The parties also recognise that modern pay roll operations can require reasonable payment in arrears arrangements. This will ensure there is an adequate time period to accommodate required pay roll changes on an ongoing basis. This will help to ensure that payments reflect changing circumstances and will reduce the potential for overpayments arising. This is of benefit both to the pay roll administrator and the employee. In these circumstances the parties are agreed that subject to consultation and no monetary loss to the employee, pay roll operations can be modified to provide for the introduction of adequate payment in arrears arrangements where a business case can be established.

#### 2.10. Apprenticeship and Traineeship in the Public Sector

- 2.10.1. In line with Ireland's participation in the European Commission's `European Alliance for Apprenticeships', the parties agree to support and facilitate the implementation of the Action Plan for apprenticeship and traineeship in Ireland 2016 to 2020. The Action Plan, which covers the public service, builds on the Programme for Government, provides for a significant expansion of apprenticeships and traineeships in all major economic sectors, and commits to examining the potential for public service engagement with the apprenticeship scheme.
- 2.10.2. It is acknowledged by the parties that an increase in public service apprenticeship and traineeship registrations is appropriate. It is agreed that apprenticeship and traineeship numbers will expand incrementally, on a sectoral basis. An assessment of manpower requirements and the identification of suitable, sustainable positions will be conducted within twelve months. It is also agreed that public sector apprenticeship and traineeship registration will be monitored over the period of the Agreement in each sector in a manner agreed by the sectoral parties. Recruitment and selection for such positions will also have regard to youth unemployment and local labour requirements.

#### 2.11. Recruitment

- 2.11.1. It is recognised that there is a range of existing provisions in place to provide for open recruitment across the public service. Nevertheless, in line with the business requirements of public service organisations, the parties agree to discuss the scope for increased open recruitment where this is appropriate to meet particular organisational needs (save where otherwise provided for in legislation).
- 2.11.2. There will be agreement of protocols between the parties for ongoing cooperation with atypical forms of recruitment, such as, but not limited to: apprenticeship-type arrangements, internships, clinical placements in care settings, job activation initiatives and work experience placements. Such cooperation will be contingent on ongoing consultation with staff representatives regarding any such arrangements.

#### 2.12. Working Hours

2.12.1. It is the view of Government that increased productivity measures, including additional working hours, agreed by the parties in the Haddington Road Agreement make a significant and ongoing contribution to a modern public service.

2.12.2. However, in recognition of particular work-life balance issues that may arise, it is agreed that an opportunity shall be offered between 1 January and 1 April 2018 and at the end of this agreement (1 January to 1 April 2021) to permanently revert to the pre-Haddington Road Agreement hours. Any individuals exercising this option will have their pay reduced commensurately, in line with previous arrangements. The application of this arrangement at the sectoral level will depend on service delivery requirements and business needs.

#### 2.13. Working Patterns

- 2.13.1. The parties reaffirm the need to build on previous improvements in the efficiency and effectiveness of public service delivery. It is recognised that the public service must continue to modernise if it is to continue to meet the expectations and requirements of our complex and diverse society.
- 2.13.2. It is therefore accepted that work must be organised in a manner that best reflects the needs of service users. It is agreed that there will be meaningful engagement with management on such initiatives.

#### 2.14. Work-life balance

- 2.14.1. The public service has pioneered work-life balance arrangements, which support the recruitment and retention of staff and contribute to wider public policy objectives, including those of increasing and maintaining female participation in the labour market, and achieving gender balance in career progression.
- 2.14.2. The parties agree that access to work-life balance arrangements, including flexible working and other arrangements, should be available to the greatest extent possible across the public service subject to service and business needs and local implementation.
- 2.14.3. In those areas where flexi-time currently exists and, with full regard to service delivery requirements and business needs, arrangements may be made to enable annual leave in excess of the statutory minimum to be used on the flexi-clock to allow staff to reduce their working hours to address work-life balance issues that may arise. This will initially be done on a confined pilot basis, with a view to further extension, subject to a comprehensive assessment of the operational and cost implications.
- 2.14.4. Management in each sector will also establish mechanisms to monitor progress in relation to gender balance in career progression.
- 2.14.5. The parties further agree that disputes over the local and sectoral implementation of work-life balance policies should be processed through the normal dispute resolution processes.

#### 2.15. Agency Staffing

2.15.1. Management will engage with the parties with a view to minimising the use of agency as far as possible and practicable over the lifetime of the Agreement.

#### 3. Recruitment and Retention

- 3.1.1. The parties note the Public Service Pay Commission stated in their Report, at Paragraph 6.35, that 'consideration could be given to commissioning a more comprehensive examination of underlying difficulties in recruitment and retention in those sectors and employment streams where difficulties are clearly evident.'
- 3.1.2. Accordingly, the parties agree that:
  - The parties to this Agreement will have the opportunity to make submissions to the Commission on this matter.
  - The Commission will conduct a comprehensive examination and analysis of the particular issues in question, commissioning external expertise as required, and taking into account the full range of causal factors in each case. The Commission will be asked to generate options for resolving the issues identified. In this regard the Commission will develop specific methodological and analytical criteria to support it in carrying out this exercise.
  - The Commission will be asked to complete this exercise by end-2018.
  - The Commission will advise the relevant parties on the outcome of its assessment, which will then be the subject of discussion between the relevant parties. It is accepted by the parties that the output from this exercise will not give rise to any cross-sectoral relativity claims.
  - The implementation of any proposals that may arise on foot of the Commission's report will fall to be considered by the parties.

#### 4. New Entrants

- 4.1.1. The Government as employer considered it appropriate, during a time of unprecedented crisis, to introduce alternate arrangements for terms and conditions of employment for future public service employees. The Haddington Road Agreement provided for revised salary scales in order to address the differential pay scale arrangements between those public servants recruited at entry grades since 1 January 2011 and those who entered before that date. In addition agreement was reached on salary scale ameliorations introduced in respect of certain categories of primary and secondary level teachers.
- 4.1.2. The Parties acknowledge the issues of concern in relation to the increased length of the salary scale in certain instances in respect of post January 2011 entrants.
- 4.1.3. Accordingly, it is agreed that an examination of the remaining salary scale issues in respect of post January 2011 recruits at entry grades covered by parties to this Agreement will be undertaken within 12 months of the commencement of this Agreement. On conclusion of this work, the parties will discuss and agree how the matter can be addressed and implemented in a manner that does not give rise to implications for the fiscal envelope of this Agreement and that has regard for the medium term fiscal framework. Any outcome will be restricted to parties adhering to this Agreement.

#### 5. Pay

#### 5.1. Unwinding of FEMPI

5.1.1. As part of the progressive ongoing reduction of the impact on the remuneration and other terms and conditions of all public servants through the Financial Emergency Measures in the Public Interest Acts, the Parties have reached agreement to provide for a fiscally sustainable programme of public service pay measures as follows:

#### 2018

- 1 January 2018 annualised salaries to increase by 1%;
- 1 October 2018 annualised salaries to increase by 1%.

#### 2019

- 1 January 2019 annualised salaries up to €30,000 to increase by 1%;
- 1 September annualised salaries to increase by 1.75%.

#### 2020

- 1 January 2020 annualised salaries up to €32,000 to increase by 0.5%;
- 1 October 2020 annualised salaries to increase by 2%.

#### 5.2. Outstanding Adjudications

5.2.1. While recognising that the main priority of this Agreement is the phased unwinding of the FEMPI legislation, the parties commit to entering into a process to conclude by end-September 2018 which will involve engagement in relation to an appropriate, time-bound process for addressing any outstanding adjudications, having due regard to the question of their continued validity and cost implications.

#### 6. Pensions

#### 6.1. Additional Superannuation Contribution

- 6.1.1. The parties note that the Government intends to introduce legislation to give effect to the public service pay proposals above. In doing so, and taking account of the analysis provided by the Public Service Pay Commission, the Government has indicated the proposed legislation will provide for the conversion of the existing Pension Related Deduction (PRD) provided for under the Financial Emergency Measures in the Public Interest Act, 2009 (as amended) into a permanent Additional Superannuation Contribution (ASC).
- 6.1.2. This new contribution will be in addition to the existing superannuation contribution made by public servants currently and will apply to pensionable remuneration only from 1 January 2019. This is intended to underpin the sustainability of public service pensions
- 6.1.3. In addition to the pay adjustments provided for above, the present thresholds, bands and rates in respect of the Pension Related Deduction will be modified in conversion to the Additional Superannuation Contribution (ASC) to reflect the differentiated pension benefits accruing to public servants in accordance with the following tables: Public Servants who are Members of pre-2013 Pension Schemes with Standard Accrual Terms 1 January 2019

# Public Servants who are Members of pre-2013 Pension Schemes with Standard Accrual Terms

1 January 2019

Rate
Exempt
10%
10.5%

1 Janu	ary 2020
Band	Rate
Up to €34,500	Exempt
€34,500 to €60,000	10%
€60,000 plus	10.5%

# All Public Servants who are Members of the Single Public Service Pension Scheme

1 January 2019

Band	Rate
Up to €32,000	Exempt
€32,000 to €60,000	6.66%
€60,000 plus	7%

1 January 2020			
Band	Rate		
Up to €34,500	Exempt		
€34,500 to €60,000	3.33%		
€60,000 plus	3.5%		

# Public Servants who are Members of pre-2013 Pension Schemes with Fast Accrual Terms (Unchanged)

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#### 6.2. Public Service Pensions in Payment

- 6.2.1. Future policy on public service pensions in payment for the duration of this Agreement will be guided by:
  - The need to adopt an equitable approach to the various public service pensioner cohorts who are now not only differentiated by amount of pension in payment (determined by grade and service) as heretofore but also by date of retirement (in particular pre and post end-February 2012).
  - Accordingly, for those who retired or will retire post end-February 2012, to the extent that they
    retired on reduced salaries, they will receive pension increases in line with pay increases received
    by their peers currently in employment in accordance with the terms of the collective agreement.
  - When alignment is achieved between pre and post end-February 2012 pensioners, as will happen progressively for salary pay ranges up to €70,000 in 2020 under the proposed collective agreement, pay increases will continue to benefit pensions in payment for the duration of this Agreement.

#### 6.3. Section 40 of the Public Service Pensions Act 2012

6.3.1. The Government, in acknowledgement of the increase in pension contributions required of public servants in respect of the Additional Superannuation Contribution (ASC), have committed not to extend the application of Section 40 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 to pre-existing public service pension schemes for the duration of this Agreement.

#### 6.4. Mandatory Retirement Age

- On foot of one of the recommendations of a Report by an Interdepartmental Working Group, the Department of Public Expenditure and Reform, with Public Service employers, was tasked to review the current statutory and operational considerations giving rise to barriers to extended participation in the public service workforce up to and including the current and planned age of entitlement to the Contributory State Pension. This review is expected to be completed shortly.
- 6.4.2. In the context of this review, the parties have noted the strong views expressed by the staff side that the issues raised for employees caused by the prevailing maximum mandatory retirement ages in the public service need to be addressed as soon as possible. Future policy in this area will be considered by Government. In this regard, the staff side will be consulted in relation to any proposals proposed by Government.

#### 7. Resolving Disagreements

- 7.1.1. The Parties are committed to ensuring that problems, where they arise, are dealt with in an effective and timely way.
- 7.1.2. In this regard, the parties reaffirm their commitments under previous Public Service Agreements, most recently in paragraph 4.1 of the Public Service Agreement 2013-2018, which obliges all parties to:-
  - recognise the importance of stable industrial relations and maintain a well-managed industrial relations environment;

- ensure that they have well developed communication channels;
- seek to resolve problems before they escalate into industrial disputes;
- resolve disagreements where they arise promptly; and
- co-operate with the implementation of change pending the outcome of the industrial relations process conducted in a timely fashion.
- 7.1.3. With a view to ensuring swift resolution of disagreements on matters covered by this Agreement, it is further agreed, where the Parties involved cannot reach agreement within 4 weeks, to refer disputes by either side to the WRC and if necessary to the Labour Court (or, where such apply, to other agreed machinery). Where a Conciliation or Arbitration Scheme applies, the issue will be referred within 4 weeks, to the Conciliation machinery under the Scheme and, if unresolved, to the Arbitration Board, alternatively, to other agreed machinery. The outcome from the industrial relations or arbitration process will be binding and final.
- 7.1.4. Where difficulties arise in the operation of the above, the Oversight Body shall engage proactively with the parties to ensure compliance with the provisions of the Agreement.

#### 8. Ensuring Compliance with this Agreement

#### 8.1. Maintenance of Industrial Peace

8.1.1. The delivery of industrial peace is an essential requirement of this Agreement. Accordingly, all forms of industrial action are precluded in respect of any matters covered by this Agreement, where the employer, trade union or staff association are acting in accordance with the provisions of this agreement.

#### 8.2. LRA Oversight Body

- 8.2.1. The Lansdowne Road Agreement Oversight Body will oversee compliance with industrial peace requirements across sectors, in conjunction with sectoral oversight bodies.
- 8.2.2. The LRA Oversight Body will be responsible for proactively addressing matters of implementation and interpretation during the term of this Agreement, including:
  - addressing any anomalies that may arise under this Agreement;
  - addressing any major disputes that arise;
  - making the final determination on whether a dispute shall be determined in accordance with the procedures laid out in the Agreement;
  - determining any matter associated with the correct operation of dispute resolution procedures including the question of timelines, cooperation with disputed change, etc;
  - determining the correct operation of those procedures in any case where that matter is disputed; and
  - adjudicating in the event of a dispute regarding compliance with the outsourcing provisions of this agreement.

#### 8.3. No Cost Increasing Claims

8.3.1. The parties agree that there will be no cost-increasing claims for improvements in pay or conditions of employment by trade unions, Garda and Defence Force associations or employees during the period of the Agreement.

#### 8.4. Review of Agreement

- 8.4.1. The Parties affirm that public service pay and pensions and any related issues shall not be revisited over the lifetime of this Agreement.
- 8.4.2. In cases where the assumptions underlying this Agreement (particularly as regards adverse, material changes in economic circumstances) need to be revisited, the parties commit to prior engagement.



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