Mr. Neil McDermott The Higher Education Authority Brooklawn House Shelbourne Road Dublin 4

11 July 2014

Dear Neil,

- 1. I am directed by the Minister for Education and Skills to refer to the implementation of Clause 2.31 of the Haddington Road Agreement revised pay scales and allowances for persons recruited to certain direct entry grades
- 2. The purpose of this letter is to notify all employers and staff of bodies that come under the aegis of the Higher Education Authority (HEA) of the revised pay scales and allowances for persons recruited to certain direct entry grades as a result of the implementation of Clause 2.31 of the Haddington Road Agreement.
- 3. Clause 2.31 concerns new entrant pay scales and proposes to address the imbalance between those who entered the public service following 1 January 2011 i.e. NRP (National Recovery Plan) new entrant grades and those who entered prior to this date.

## **Revised Incremental Pay Scales:**

- 4. The provision provides for revised incremental pay scales to be prepared for same grade entrants.
- 5. The revised pay rates will apply with effect from 1 November 2013.
- 6. The revised incremental pay scale will apply to all staff including new recruits to the relevant grades appointed on or after 1 January 2011. The new pay scale will not however vary or alter the pay rates of staff appointed on or before 31 December 2010 or persons appointed after this date who were not subject to the terms of the Department's previous direction dated 5 July 2011.
- 7. It should be pointed out that public servants (using the definition set out in the Financial Emergency Measures in the Public Interest Act, 2009) who have been in permanent or temporary employment in the Public Service on or before 31 December 2010 (including those on an approved break in service, leave, temporary assignment or secondment to another employer) will not generally be regarded as new appointees. In these cases, the person will be assigned to the appropriate pre-1 January 2011 scale and any sanctioned allowances, and any allowable incremental

<sup>\*1</sup> July 2013 pay scales apply where 1 January 2010 pay scales have subsequently been adjusted by the implementation of the HRA

credit for previous service and other experience which is deemed relevant will be awardable.

- 8. However, this exclusion only applies where the person is being recruited to the same or an analogous grade, role or position as their previous public service employment, whether that employment was permanent or temporary. As an example, a person employed previously as a Grade III, who then has a period of no public sector employment, and is then re-employed as Grade III will remain on the applicable pre January 2011 rate. However, if that person following their first period of employment as a Grade III obtains a permanent contract of employment as a lecturer then the revised rate of lecturer pay post 1 January 2011 will apply;
- 9. In the event of doubt about a particular situation as to whether a grade is or is not analogous and/or whether the 1 November 2013 pay scale should apply to an individual or not, the employer should contact this Department for clarification, giving details of the individual's previous public service employment e.g. grade, organisation, pay scale and dates of employment.

### Guidelines:

- 10. The guidelines to incorporate NRP scales (1 January 2011) and 1 January 2010\* public service recruitment scales are as follows:
- 11. A single pay scale will be developed which merges the NRP scales and the 2010\* scale.
- 12. The new scales will incorporate two NRP (1 January 2011) incremental points at the starting point of the scale and all increments from the 1 January 2010\* scale.
- 13. For scales on a starting point of greater than €400 per week where a third NRP incremental point is lower than the first point of 2010\* scale, the second and third incremental point of the NRP scale will need to be merged into a single point (average value of 2nd and 3rd points of NRP scale). Similarly, in cases where the fourth NRP point is less than the first point of the 2010\* scale the second, third and fourth point will be merged (average value of 2nd, 3rd and 4th points of NRP scale).
- 14. For NRP grades on a starting point of €400 or less per week the first and second NRP increments will be merged (average value of 1st and 2nd points of NRP Scale). This will give the starting point of the merged scale, followed by the third point of the NRP scale.
- 15. It should be noted that single point scales will become 2 point scales incorporating the NRP scale and the 2010\* scale. Incremental progression from the first point to the second point will be after two years service on the first point.
- 16. The Haddington Road Agreement pay adjustments apply where appropriate.

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- 17. The pay of part-time staff should be amended where appropriate by reference to the pay of whole-time staff to which they are related for pay purposes.
- 18. Accordingly, all employers are obliged to implement the terms of this letter and the revised rates of pay with effect from 1 November 2013.
- 19. The revised pay scales appended at Appendix 1 are based on this Department's record of recruitment grades in the following institutions which were previously adjusted by direction of the Department dated 5 July 2011:
  - i. Institutes of Technology
  - ii. Mary Immaculate College of Education, Limerick
  - iii. St. Patrick's College of Education, Drumcondra
  - iv. National College of Art and Design
  - v. The Higher Education Authority
  - vi. St. Angela's College for Home Economics, Sligo
- 20. In the case of Universities the provisions in this letter apply to all grades who were affected by the Department's previous direction dated 5 July 2011 and whose pay scales now fall to be revised in line with the terms of this letter.

## Assimilation of existing staff to these revised pay scales:

- 21. New entrants to direct entry recruitment grades, who were subject to the 2011 reduced pay rates will be assimilated to the revised incremental pay scale with effect from 1 November 2013.
- 22. In the case of most staff this means that new recruits employed between 1 January 2011 and 31 October 2013 who were subject to the terms of the Department's previous direction dated 5 July 2011 should be assimilated to the revised scales on a point to point basis e.g. a person on point 1 of the 1 January 2011 pay scale (the NRP scale) should now be assimilated to point 1 of the 1 November 2013 pay scale.
- 23. However, where the point of the revised pay scale is less than their current point on the NRP scale then the person should be assimilated to the nearest point not below their existing scale point.
- 24. Furthermore, where the third point of the revised salary scale is equal to or less than the third point of the NRP scale then the person should move to the fourth point of the new pay scale when they reach their third incremental point.

### Allowances:

25. The Department's previous direction dated 5 July 2011 also provided for a reduction of 10% in the fixed term allowances of persons recruited to certain direct entry NRP adjusted grades. This reduction in allowances will cease as and from 1 November 2013. Allowances or other payments (overtime etc.) linked to basic pay will be

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calculated on the revised merged pay scales. In the case of the Institutions listed in paragraph 19 these rates have been revised and are as detailed in Appendix 1.

#### Overtime:

- 26. With effect from 1 November 2013 the overtime rules for those on salaries of up to €35,000 (inclusive of allowances in the nature of pay) will be revised as follows:
- 27. For those on salaries of up to €35,000 (inclusive of allowances in the nature of pay), overtime will be paid at time and a half at the **third** point of the revised pay scale at Appendix 1. This formula will not apply to any scale where this provision would result in overtime being paid at less than time at any point on the scale.
- 28. Paragraph 2.13 (a) of the Haddington Road Agreement will continue to apply to those on the first and second point of revised pay scale at Appendix 1. Accordingly, for those on salaries of up to €35,000 and on the 1st or 2nd point of the revised pay scale at Appendix 1, overtime will be paid at time and a half at the 1st point of scale. This formula will not apply to any scale where this provision would result in overtime being paid at less than time at any point on the scale.
- 29. Where the implementation of merged scales under this letter does not arise, overtime will continue to be paid at the first point of the scale.

## Minimum Wage:

30. With regard to the integration of pay scales in accordance with Paragraph 2.31 of the Haddington Road Agreement, it is necessary also to make provision for Minimum Wage Legislation. Accordingly where points on the 2011 NRP scale are currently below the minimum wage these scale points have been brought in line with the minimum wage (currently the minimum hourly rate of pay for the purposes of the National Minimum Wage Act 2000 is €8.65) before the issuance of the revised scales. Please note that under the National Minimum Wage Act 2000 specific provision regarding the payment of the minimum wage to trainee grades (a % of minimum wage) is provided for and these provisions should continue to apply to such grades. It should be remembered when complying with the National Minimum Wage Act that break periods (whether paid or not) should be included for the purposes of ensuring that a person is receiving the minimum hourly rate of pay.

# Recruitment / New Appointees:

- 31. It should be noted that it remains Government policy that new appointees to <u>any</u> grades will start at the minimum point of the scale. However, incremental credit may continue to apply for relevant recognised service.
- 32. Persons who are re-employed in the Public Service, following retirement from previous employment in the Public Service, must also be assigned at the minimum of the pay scale.

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- 33. All future competition notices, advertisements and information booklets must continue to specify that, for persons entering a recruitment grade for the first time, starting pay will be at the minimum of the new reduced scale. Such notices and booklets must also specify that the rate of remuneration may be adjusted from time to time in line with Government pay policy.
- 34. No undertaking, formal or informal, should be given by or on behalf of any public service body to a candidate that the relevant pay scale may be negotiable.

### Circulation:

35. Please ensure that copies of this letter are provided to all relevant employers and that its contents are brought to the attention of all relevant staff in those employments including those on leave of absence.

Any queries in relation to this letter should be communicated to the relevant employer in the first instance. Any employer that has a query in relation to this letter should direct that query by e-mail only to the following dedicated e-mail address: <a href="mailto:ESR@education.gov.ie">ESR@education.gov.ie</a>

Yours sincerely,

Philip Crosby External Staff Relations