



14 June 2013

**To: The Higher Education Authority for dissemination to all Universities and other Colleges under the remit of the HEA**

**Re: Staff of Universities and other Colleges under the remit of the HEA - Public Service Stability Agreement 2013 – 2016 (Haddington Road Agreement) and the Financial Emergency Measures in the Public Interest Act 2013**

I am writing to you regarding the Public Service Stability Agreement 2013 – 2016 (Haddington Road Agreement) and the Financial Emergency Measures in the Public Interest Act 2013. The Financial Emergency Measures in the Public Interest Act 2013 (FEMPI 13) was signed into law on Wednesday, 5 June 2013. I have attached a copy of the legislation to this notice. I would encourage you to read the legislation carefully. A copy of the Haddington Road Agreement is available by clicking on this link:

<http://per.gov.ie/wp-content/uploads/Haddington-Road-Agreement.pdf>

The purpose of this letter is to give you advance notice of the pay and other measures which will take effect for staff in Universities and other colleges with effect from 1 July 2013 in order to allow Universities and colleges the maximum time to prepare for these changes. The main changes stemming from the legislation are section 2, providing for pay reductions for higher paid grades of staff, section 5 providing for reductions to certain superannuation entitlements and section 7, providing for a comprehensive cessation of incremental progression for persons in grades not covered by a public service collective agreement (namely the Haddington Road Agreement). These changes will become operational on 1 July 2013. For those grades who do not have a collective agreement in place, they will be subject to a three year increment freeze effective from 1 July 2013. Section 9 provides for a further “grace period” in respect of those retiring prior to 31 August 2014. Section 11 provides for an amendment to the Pension Related deduction (PRD) to be made with effect from 1 January 2014.

As has been alluded to, the Haddington Road Agreement will also come into operation on 1 July 2013 covering those grades whose representative unions have agreed to be bound by its terms, and have registered that agreement with the Labour Relations Commission.

In this regard, the current position of Unions is as follows. IFUT are not balloting their members on the Haddington Road Agreement at present. IMPACT have accepted the Haddington Road Agreement and SIPTU have recommended that their members accept the proposal. UNITE have rejected the Haddington Road Agreement.

It is critical that relevant managers, in particular in personnel and with responsibility for payroll matters, are familiar with the terms of the legislation and the Agreement with a view to their full implementation from 1 July 2013.

In the event that a situation arises where staff in the same grade are represented by more than one Union in an Institution and one of those Unions has not registered the Haddington Road Agreement with the Labour Relations Commission it will be necessary in due course to decide how this matter is addressed.

Should IFUT or UNITE accept the Haddington Road Agreement before 1 July 2013 (or at any date after that) a further notification will issue detailing the measures to apply to those grades represented by those Unions.

I would also like to point out that this notice is issued without prejudice to any further measures that may be taken arising from Section 2B of FEMPI 13.

Universities and Colleges should now make preparations for the following measures to apply with effect from 1 July 2013:

#### **Higher Remuneration - All Staff:**

- Salary is to be taken to mean salary inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances.
- The pay of those on salaries of €65,000 and greater will be reduced as follows:

<b>Annualised amount of Remuneration</b>	<b>Reduction</b>
Any amount up to €80,000	5.5% *
Any amount over €80,000 but not over €150,000	8%
Any amount over €150,000 but not over €185,000	9%
Any amount over €185,000	10%

\* The 5.5% reduction applies to **all** salary below €80,000, not solely the portion of salary which is between €65,000 and €80,000.

- Salaries will not fall below €65,000 as a result of the application of these reductions.
- Revised salary scales will issue in due course, where applicable.

Where a person is employed on less than full hours then a calculation should be made to see whether their whole-time equivalent salary (inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances) is greater than €65,000. In the event that their whole-time equivalent salary is greater than €65,000 then the reductions outlined in the above table should be applied to their salary on a pro-rata basis.

#### **Increments – All Staff:**

- Staff in grades who do not have a collective agreement in place, are subject to a three year increment freeze effective from 1 July 2013.
- Staff in grades where the salary scale starts above €100,000 per annum are subject to a three year increment freeze effective from 1 July 2013.
- For all other staff who have a collective agreement in place, the next increment due on or after 1 July 2013 can be paid as normal. Further detailed information regarding the implementation of the increment pauses outlined in the Haddington Road Agreement will follow.

The remainder of the information in this notice relates to the implementation of the Haddington Road Agreement for staff in grades covered by the Agreement. This is issued without prejudice to any further measures that may be taken arising from Section 2B of FEMPI 13.

### **Haddington Road Agreement:**

#### **Pay Measures for Academic Staff in grades covered by the Agreement:**

In addition to the higher remuneration measures described above, the following measure should be applied in the case of Academic Staff:

- The examination marking fee payable for the marking of exams which take place on or after 1 July 2013 is reduced by 25%.

#### **Working Hours for Academic Staff in grades covered by the Agreement:**

Academic staff will work an additional 78 hours per annum. This additional time will be deployed through Workload Allocation Models to maximise savings and productivity.

#### **Measures for Non-Academic Staff in grades covered by the Agreement:**

In addition to the higher remuneration measures described above, the following measures should be applied in the case of Non-Academic Staff:

#### **Additional Working Hours:**

- Staff with a working week of 35 hours or less (net of rest breaks) will increase to a minimum of 37 hours a week and staff who currently work more than 35 but less than 39 hours a week (net of rest breaks) will increase to a 39 hour week.
- Working hours of those staff with a net working week of 39 hours or greater will remain the same, but an hour of overtime worked each week by these staff will be unpaid until 31 March 2014.
- Extra hours worked will be deployed and may be aggregated on a daily, weekly or annual basis following local consultation, based on the principles agreed in each sector.
- Divisors for overtime should be amended to reflect these revised working hours.

For grades **up to and including Grade VII and equivalents** increases in working hours **will be limited to two hours and 15 minutes per week** subject to the following:

- A minimum working week of 35 hours will apply. Pro-rata arrangements will apply for job-sharer and part-time staff.
- The divisor for overtime calculations will be based on 37 hours effective from 1 July 2013 except where the divisor for overtime calculations is already higher than 37 hours in which case the divisor for overtime becomes or remains 39 hours effective from 1 July 2013.
- **Implementation Timescale:** The first 2 hours and 15 minutes per person per week will be implemented from 1 July 2013.
- Any remaining liability will be implemented from 1 July 2015.

**Worked Example:**

*If you are a Grade V or equivalent currently working 32.5 hours per week (net of rest breaks) and your are in a Grade represented by a Union who have signed up to the Haddington Road Agreement then with effect from 1 July 2013 your working hours increase to 34 hours 45 minutes per week (net of rest breaks). With effect from 1 July 2015 your working hours increase again to 35 hours per week (net of rest breaks). If you get promoted from Grade V to any Grade on or after 1 July 2013 then a working week of 37 hours (net of rest breaks) will apply.*

**Staff in Grades above Grade VII and equivalent:**

- With effect from 1 July 2013 staff with a working week of 35 hours or less (net of rest breaks) will increase to a minimum of 37 hours a week, and staff who currently work more than 35 but less than 39 hours a week (net of rest breaks) will increase to a 39 hour week. Pro-rata arrangements to apply for job-sharer and part-time staff.
- Working hours of those staff with a net working week of 39 hours or greater will remain the same, but an hour of overtime worked each week by these staff will be unpaid until 31 March 2014.

**Recruitment and Promotion:**

- With effect from 1 July 2013 for all staff recruited or promoted to a Grade that currently work 35 hours or less (net of rest breaks) a standard working week of 37 hours (net of rest breaks) will apply. Pro-rata arrangements to apply for job-sharer and part-time staff.
- With effect from 1 July 2013 for all staff recruited or promoted to a Grade that currently works more than 35 but less than 39 hours a week (net of rest breaks) a standard working week of 39 hours (net of rest breaks) will apply. Pro-rata arrangements to apply for job-sharer and part-time staff.
- With effect from 1 July 2013 for all staff recruited or promoted to a Grade that currently works 39 hours a week or greater (net of rest breaks) the hours of work of that grade will remain the same as they currently are but an hour of overtime worked each week by these staff will be unpaid until 31 March 2014.
- **The above working hours also apply where an individual is in receipt of an acting-up allowance.**

**Overtime:**

- For those on salaries up to €35,000, overtime will be paid at time and a half at the first point of the appropriate scale. Where this would result in overtime being paid at less than time at any point on the scale, overtime will instead be paid at the rate of time and a quarter at the individual's scale point.
- For those on salaries of €35,000 or greater, overtime will be paid at the rate of time and a quarter at the individual's scale point.
- For those grades currently with a working week of 39 hours or more (net of rest breaks), an hour of overtime worked each week will be unpaid until 31 March 2014. Following this date, overtime will not be payable until 39 hours are worked and exceeded.
- Divisors for the calculation of overtime will be adjusted to take account of the additional hours provided for in the Agreement and outlined above.
- For grades up to and including Grade VII and equivalents and on a personal to holder basis, overtime will not be payable until 37 hours are worked and exceeded.

I would be grateful if you could bring this letter to the attention of Universities and Colleges in order to allow them the maximum time to prepare for these changes. As stated above, this is not the definitive direction on how to implement the Agreement or the Act; it is by way of advance notice of the measures which will take effect on 1 July 2013. A further notification detailing the full pay and workplace reform measures to take effect from 1 July 2013 will issue in due course.

Yours sincerely,

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