



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Public Service Sustainability Agreement

(2013 – 2016)

‘HADDINGTON ROAD AGREEMENT’ (MAY 2013)

Introductions

Briefing to Managers on the proposed DRAFT Public Service Sustainability Agreement

Presentation by:

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Context

- Public Service Agreement (2010 – 2014)
- Contribution of Public Servants to date –
€1.5 billion in pay and non-pay savings
- Major Reform – *public service delivery*
- Constructive Industrial Relations Climate

Health Service Executive Service Plan 2013

Specific Savings – PSA (2010 – 2014)

➤ €106m

Unspecified Pay Savings

➤ €150m

Challenges

- Productivity – *additional working hours*
- Cost extraction - *€1 billion from Pay & Pensions Bill by 2015*
- Reform – *workforce restructuring, redeployment, headcount reduction*

Productivity – *additional weekly working hours*

Currently

35 hours or less

>35 hours <39 hours (e.g. Nurses)

39 hours

(1hr of overtime worked each week will be unpaid, up to 31 March 2014)

*Appendix 9

(Staff working less than 35 hrs currently)

- Additional 2hours 15mins per week, subject to minimum of 35hours, personal to holder, up to Grade 7 and equivalent.
- Divisor for overtime for such personnel will be 37 hours

Move to

37 hours

39 hours

Remains unchanged

Productivity – *additional working hours*

- Hours to be deployed and aggregated on daily, weekly or annual basis as best meet local service demands
- Staff to co-operate with revision of rosters necessary for the full deployment of additional hours –

For example:

Nurses – 39 hours

Clerical/Admin – 37 hours

Allied Health Professionals – 37 hours

- Need for detailed consultation at local level
- Staff may continue to work current hours for period of time but with an appropriate pay reduction

Productivity – *additional working hours*

Will reduce: -

- Overtime levels
- Agency costs
- Headcount

Action –

Management to develop immediate plans for deployment of extra/additional hours –

- implementation from **1st July 2013**

Pay Measures – *Higher Remuneration*

(Reference 2.24 of PSSA)

Pay Reductions:- (inclusive of allowances in the nature of pay)

€65k +

- Any amount up to €80k - 5.5%
- Any amount > 80k – 150K - 8%
- Any amount < 150K – 185k - 9%
- Any amount above 185k - 10%
- Between 65k – 100k*

**Pay levels to be reinstated in 2017+ 2018 (no retro)*

Pay Measures – *Increments*

(inclusive of allowances in nature of pay)

Earnings less than €35k – next increment will be paid.

➤ 3 month increment freeze will apply to take effect after the next increment is paid *i.e. increment being awarded in 15 months rather than in 12 months or equivalent is the increment date is longer.*

Earnings between €35k and €65k - next increment to be paid.

➤ Two 3 month increment freeze (total of 6 month freeze) will apply to take effect after the next increment is paid *i.e. for two consecutive years 15 month period between increment dates.*

➤ If increment interval is longer than 12 months, freeze will be for a single 6 month period.

Where earnings surpass €35k during the agreement

➤ 2nd Incremental freeze of 3 months will apply *i.e. in accordance with arrangements for those on salaries between €35k and €65k per annum.*

Where earnings increase above €65k during the agreement

➤ Pay reduction provisions outlined previously under Higher Remuneration *i.e. Section 2.24 of PSSA to apply.*

Pay Measures – *Increments*

(inclusive of allowances in nature of pay)

Earnings above €65k - next increment to be paid.

➤ Two 6 month increment freezes will apply to take effect after the next increment is paid *i.e. two increments awarded in 18 months rather than in 12 months or equivalent is the increment date is longer.*

Where on the final point on the incremental scale and with salaries between €35k- €65k, the following arrangements will apply apart from those grades with an annual leave entitlement of 23 days or less

➤ A total reduction of annual leave during period of agreement of 6 days

Or

➤ Cash deduction equivalent to 6 days AL **or** half of most recent increment, whichever is the lesser

Pay Measures - *PREMIA*

Double Time for **Sunday, Public Holidays**

➤ Remains unchanged

Saturday Premium

➤ Remains unchanged

Twilight payment and any equivalent payments across sectors.

➤ No longer payable.

NOTE: *Grades who have a liability to be rostered for duty between 8p.m. and 12 midnight, the current pay arrangements will continue.

Pay Measures - *Overtime*

Earnings of up to €35k (inclusive of allowances in nature of pay)

- Time plus +1/2 – 1st point of appropriate scale
- Hourly Divisor to be adjusted as set out earlier

Earnings of in excess of €35k (inclusive of allowances in nature of pay)

- Time plus 1/4 at individuals scale point
- Hourly Divisor to be adjusted as set out earlier

Overtime worked on Sunday/Public Holiday

- Overtime payment remains at double time

Reform

- Establishment of Hospital Groups
- Implementation of Smaller Hospitals Framework
- Reorganisation of Integrated Service Areas

Reform

- Further headcount reduction (*Section 3.3 - 3.5 of PSSA*)
 - *The Health Sector [2013] - 98,955 WTE's*
- Redeployment (*Section 3.6 – 3.9 of PSSA*)
- Workforce restructuring (*Section 3.10 – 3.12 of PSSA*)
- Grade rationalisation (*Section 3.11 of PSSA*)
- Strengthening Performance Management (*Section 3.13 – 3.14 of PSSA*)
- Work sharing (*Section 3.15 of PSSA*)
- Flexible Working Arrangements (Flexitime) (*Section 3.16 – 3.18 of PSSA*)
- Outsourcing (*Section 3.19 - 3.22 of PSSA*)

Further Measures

- Allowances – review to continue in line with Labour Court Recommendation 20448 (*Section 2.25 of PSSA*)
- Travel & Subsistence – to be reviewed (*Section 2.26 of PSSA*)
- Pensions – to be aligned with pay adjustments for those over €32.5k (*Section 2.30 of PSSA*)
- New entrant scales (*Section 2.29 of PSSA*)

HEALTH SPECIFIC – Appendix 7 of PSSA

- Contracted weekly working hours of NCHD to continue at 39 hours gross (37 hours net)
- Divisor for the calculation of overtime will be 39 hours
- New Entrant Consultants from October 2012 – *legislation to be enacted by the Oireachtas in respect of remuneration over €65k*
- European Working Time Directive – *Transition to full EWTD compliance by target date i.e. end of 2014.*

HEALTH SPECIFIC – Appendix 7 of PSSA

Additional Hours:

- To achieve maximum flexibility
- Need for consultation
- May remain as current hours with appropriate pay adjustment
- Revision of rosters
- Longer shifts / working day
- Focussed working of additional hours at peak periods or to provide additional cover

HEALTH SPECIFIC – Appendix 7 of PSSA

Nursing/Medical interface

- Review taking place re task transfer of 4 specific tasks
- Uncertainty as to potential for savings
- Senior Staff Nurse - To be restored from July 1st. (no retro)

Graduate Nurse Recruitment *(To assist in head count reduction, Incentivised Career Break, Reduction in Overtime and Agency spend)*

- 1,000 places on a 2 year programme
- Pay:
 - Year 1** - 85% of 1st point of January 2011 Staff Nurse Salary Scale
 - Year 2** - 90% of 1st point of January 2011 Staff Nurse Salary Scale
- No impact on Employment Control Framework in health service
- 39 hour working week

HEALTH SPECIFIC – Appendix 7 of PSSA

Support Grades

- **Intern Programme** (*To assist in head count reduction, Reduction in Overtime and Agency spend*)
- 1000 places at HCA, MTA and support grades
- Pay:
 - Year 1 - 85% of the first point of Band 3 Salary Scale
 - Year 2 - 90% of the first point of Band 3 Salary Scale
- No impact on Employment Control Framework in health service
- Hours of work consistent with standard hours of work for health support staff

HEALTH SPECIFIC – Appendix 7 of PSSA

➤ **Regularisation of long-term actors**

Management commits to the implementation as a priority but no later than the 1st of October 2013 of the LRC Proposals (as amended by agreement in February 2013)

➤ **Annual Leave Voluntary Hospitals**

Parties to re-engage by end Sept 2013

In the interim, staff employed in the voluntary hospitals whose annual leave is below the standardised HSE arrangements will not have the terms of Clause 2.2 applied

➤ **CORU**

Registration Fee is confirmed at €100 for the period to the end of 2016. This includes re-registration in 2013.

➤ **Sleepover Allowance**

Parties commit to completing the process currently underway under the auspices of the Labour Relations Commission – no later than 31st December 2013

HEALTH SPECIFIC – Appendix 8 of PSSA

CRAFT Grades

- Forum to be established to identify manpower requirements by reference to up-skilling and apprenticeship potential
- 1 hour of overtime worked each week – to be unpaid from 1st July 2013
- Double time premium pay for on-call – unchanged
- **Annual Leave** - Standardised at 25 days per annum (inclusive of Good Friday)
- **Tool allowance** - to be reduced to 80% of current rate

Implementation

➤ Productivity

➤ Pay Measures

➤ Reform

➤ Consultation

➤ Implementation - 1st July 2013

**Section 1.9 PSSA – sets out measures on productivity, cost extraction and reform which will achieve the targeted pay bill reduction. The PSSA 2013 – 2016 builds on the measures set out in PSA 2010 – 2014 which began the process of delivering an increasingly integrated and more productive public service, with a greater standardisation of employment conditions within and across sectors of the Public Service.*

IMPLEMENTATION - Engagement Process

Based on existing – ‘Information and Consultation Framework for the Health Sector’
(*Health Services and Trade Unions Agreement September 2006*)

New **Strategic Engagement and Innovation Initiative** – working together on a collaborative basis

Involves a Consultation process with key stakeholders underpinned with the following principles;

1. Timely, inclusive and comprehensive consultation process
2. Outline reasons for change
i.e. strategic/policy/legislative basis for change
3. Detailed implementation plan
Impact on human resources
e.g. numbers/rosters/earnings/family commitments etc
4. Information regarding cost savings

Information and Consultation

- Presenting Management Proposals

In finalising Management's proposals to be presented to the unions, the proposals should include:-

- The strategic/policy/legislative basis for change;
- The objective of the plan;
- An analysis of the need/demand which underpins the plan;
- Confirmation by Management that the alternative working arrangements will meet quality and clinical care requirements;
- Impact on human resources – numbers/rosters/earnings across all disciplines;
- Any information on cost savings;
- Impact of the alternative attendance pattern on earnings, family commitments and personal or social arrangements.

Information and Consultation

- To ensure that the pace of change required by Management is reflected in the consultation process, a date for implementation of the service changes should be identified within the proposals.
- A period of **6 weeks** is required to allow for the proposals to be advised, discussed with the full time trade unions and for counter proposals to be considered by Management etc in advance of the date of implementation of change.
- It should be noted that the engagement process may also require the assistance of the third party machinery e.g. the Labour Relations Commission, etc. However, staff are requested to co-operate with the change pending the outcome of the industrial relations process.
(Section 1.23 of the PSA)

Consultation & Adjudication Process

PSA Sections - 2.9.12, 2.9.13, 2.9.14 (Chapter 2)

1st Stage – where agreement cannot be reached at local level **within 7 days** – either party may seek intervention of Joint Review Group (JRG).

2nd Stage – JRG will assess proposals and endeavour to assist within **7 days of referral.**

***Note** – issues associated with extended working day, JRG will deal solely with the impact of the new attendance pattern on earnings, family commitments and personal or social arrangements.

Consultation & Adjudication Process contd/

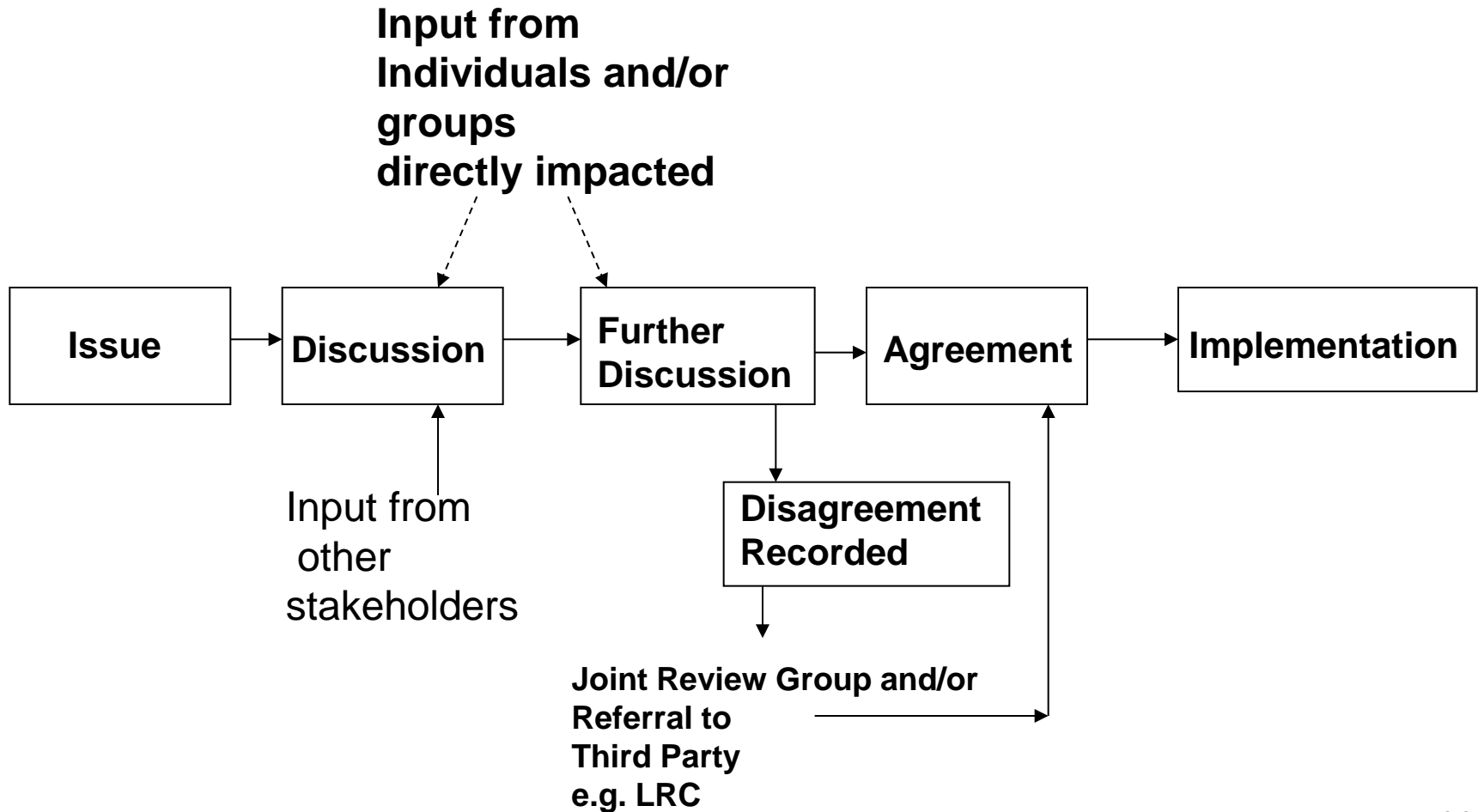
- **Final Stage** – If unresolved at JRG within **7 days of referral**, either party may refer to an agreed third party adjudicator who will hear the dispute and issue binding proposals within 21 days of the referral.

Consultation & Adjudication Process contd/

- **Loss of Earnings** (in the context of redeployment) – actual loss and structured earnings (if any) will be established after the redeployment has been in operation for 12 months. Compensation will be paid equal to one and a half times the annual loss and payable in two equal instalments a year apart.
- **Compensation for loss of earnings** in cases other than redeployment to be calculated on the basis of 1.5 times the actual loss.
- The level of loss should be established in each case by comparing earnings in a full twelve month period in which the new arrangements have been in operation in a full twelve month period with a corresponding period in which the current system operated. 50% of the compensation due should be paid 12 months after the new arrangement became operational, with the remaining 50% of the amount due to be paid six months thereafter.

ER Framework for Dealing with Change & IR issues

Simplified Flow Chart



Discussion – Open Forum