



Circular 0005/2014

**To: The Managerial Authorities of Recognised Secondary,
Community and Comprehensive Schools
and
the Chief Executives of Education and Training Boards**

**Implementation of the Public Service Stability Agreement 2013 – 2016
(Haddington Road Agreement) and the Financial Emergency Measures in the
Public Interest Act 2013**

Teachers

Introduction

1. The purpose of this Circular is to notify Managerial Authorities, Education and Training Boards and teachers of the changes to the salaries of all teachers and other measures to take effect from 1 July 2013. These changes arise from the Financial Emergency Measures in the Public Interest Act 2013 and the Public Service Stability Agreement 2013 – 2016 (Haddington Road Agreement), having regard to section 7 of the Act.
2. As this is a consolidated Circular, the terms of Circulars 31/2013 and 49/2013 are hereby superseded. However, where any of the measures set out below were applied to a teacher under the terms of Circulars 31/2013 and 49/2013, these measures should not be applied to the teacher for a second time by virtue of this Circular.
3. For the purposes of this Circular, salary is to be taken to mean salary inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances.
4. The provisions of this Circular will apply to worksharers or part-time teachers on a pro-rata basis to their whole time equivalent comparator.

5. The payroll adjustments, including the payment of increments, necessitated by the Agreement will be implemented at the earliest possible date and with retrospective effect to 1 July 2013 (or date of appointment, if later).

Increments and related balancing measures

6. The first increment due on or after 1 July 2013 will be paid as normal.
7. For teachers on salaries (inclusive of allowances in the nature of pay) below €35,000, one three-month incremental freeze will apply. This will take effect after the increment referred to in paragraph 6 above is paid. The following incremental period will be 15 months long rather than 12 months.
8. For teachers on salaries (inclusive of allowances in the nature of pay) between €35,000 and €65,000, two three-month incremental freezes will apply. This will take effect after the increment referred to in paragraph 6 above is paid. The following two incremental periods will each be 15 months long rather than 12 months.
9. For teachers on salaries (inclusive of allowances in the nature of pay) of €65,000 or greater, two six-month incremental freezes will apply. This will take effect after the increment referred to in paragraph 6 above is paid. The following two incremental periods will each be 18 months long rather than 12 months.
10. Where a teacher's salary (inclusive of allowances in the nature of pay) surpasses €35,000 during the Agreement, a second incremental freeze of three months will apply, in accordance with the arrangements for teachers on salaries between €35,000 and €65,000 outlined at paragraph 8 above.
11. If a teacher's salary (inclusive of allowances in the nature of pay) increases above €65,000 during the Agreement, the salary reduction provisions outlined at paragraphs 15 to 21 below will apply.

Teachers on the Final Point of the Common Basic Scale and on salaries between €35,000 and €65,000

12. Circular 49/2013 stated that specific arrangements would apply for teachers with salaries (inclusive of allowances in the nature of pay) between €35,000 and €65,000 and who are on the final point on the Common Basic Scale or who reach the final point on the Common Basic Scale following a 15 month incremental period (as described in paragraph 8). These arrangements are as follows:
 - For teachers who reached the final point on the Common Basic Scale before or during 2013, a cash deduction of €687 will be made from net salary. This is equivalent to the net value of a half of the most recent increment.

- For teachers who reach the final point on the Common Basic Scale in 2014, a cash deduction of €458 will be made from net salary. This is equivalent to the net value of a third of the most recent increment.
 - For teachers who reach the final point on the Common Basic Scale in 2015, a cash deduction of €343 will be made from net salary. This is equivalent to the net value of a quarter of the most recent increment.
13. Deductions will be made from net salary in all cases (i.e. net of all statutory deductions including Tax and P.R.S.I., PRD etc.). Accordingly, the deductions set out in paragraph 12 above have been calculated on the gross value of the most recent increment and reduced by 62%.
14. The cash deduction will be collected from salary on a phased basis over 12 months. The deductions set out at paragraph 12 represent the total deduction required under this provision for the term of the Haddington Road Agreement (to July 2016).

Higher Remuneration

15. In addition to the measures on increments above, there will be a reduction in pay for teachers on salary (inclusive of allowances in the nature of pay) of €65,000 or greater as follows:

Annualised amount of Remuneration relevant to this Circular	Reduction
Any amount up to €80,000	5.5% *
Any amount over €80,000 but not over €150,000	8%

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

16. As stated at paragraph 3 above, salary for the purposes of this Circular is to be taken to mean salary inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances. When calculating a teacher's salary **for the purposes of the higher remuneration reduction only**, the Supervision and Substitution allowance should not be included in the total. Please see Appendix 1 for further detail and worked examples.
17. If a teacher's salary increases above €65,000 (inclusive of allowances in the nature of pay) during the Agreement, these salary reduction provisions will apply.
18. An individual teacher's remuneration will not fall below €65,000 as a result of the application of this reduction.

19. Where a teacher is employed on less than full hours (i.e. on a part-time or jobsharing basis) and their whole-time equivalent salary (inclusive of allowances in the nature of pay which are fixed periodic pensionable allowances) is greater than €65,000, the reductions outlined in the above table will apply to their salary on a pro-rata basis.

Restoration of Salary Reduction

20. For teachers who have an annualised salary (inclusive of allowances in the nature of pay) of €65,000 or greater, the reduction outlined in paragraphs 15 to 19 above will be restored to the rate that they would have had, but for the salary reduction, within a maximum of 18 months of the end of the 3 year Agreement (which commenced with effect from 1 July 2013). The restoration will be in two equal phases – the first after 9 months and the second 9 months later. Specific directions in relation to this restoration will be issued by the Department closer to the time of its implementation.

Alleviation of Multiple Impacts

21. Alleviation measures will apply in the case of teachers who lose pensionable salary both through the higher remuneration reduction as described at paragraphs 15 to 20 above **and** the withdrawal of the Supervision and Substitution allowance under the Agreement. Please see Appendix 1 for further detail and worked examples.

Pension-Related Deduction – Rate Adjustment:

22. The rates for the Pension-Related Deduction will be reduced in the €15,000-€20,000 band rate to 2.5% from 5% with effect from 1 January 2014. From 1 January 2014, the rates for the PRD will be as follows:

Bands and Rates	
Below €15,000	Exempt
€15,000 - €20,000	2.5%
€20,000 - €60,000	10.0%
Above €60,000	10.5%

Revised Salary Scales and Rates for Teachers who entered Teaching between 1 January 2011 and 31 January 2012 and for Post-1 February 2012 Entrants

23. Revised incremental salary scales and hourly part-time rates for teachers who entered teaching between 1 January 2011 and 31 January 2012 as set out in Appendix 2 will apply with effect from 1 July 2013. Qualification allowances continue to be paid to this cohort of teachers, as appropriate.

24. Revised incremental salary scales and hourly part-time rates for teachers who entered teaching on or after 1 February 2012 and future entrants as set out in Appendix 3 will apply with effect from 1 July 2013. Qualification allowances are not payable to this cohort of teachers.

Reduction in the Service Qualification Requirements for Assessment for Entitlement to a Contract of Indefinite Duration under Circular 33/2009 and Circular 34/2009

25. In line with the terms of the Haddington Road Agreement, teachers who are employed on a fixed-term basis are eligible for consideration for a contract of indefinite duration once they have had in excess of 3 years continuous service with the same employer (a reduction from the current requirement to have in excess of 4 years continuous service).
26. Employers should now assess any member of teaching staff who, after 1 July 2013, has had in excess of 3 years continuous service with that employer, for entitlement to a contract of indefinite duration in line with section 2 of Circular 33/2009 and section 4 of Circular 34/2009 and issue a contract of indefinite duration to any teacher who satisfies the conditions therein.
27. Where a teacher receives a contract of indefinite duration under this provision and is currently timetabled for hours in excess of that CID, these cases will be considered on a case-by-case basis. In this context, regard will be had to relevant recommendations of the Expert Group (see paragraph 29 below) on measures which can be implemented in the short term.
28. The terms of Circular 33/2009 and 34/2009 remain unaltered apart from the reduction in service requirement for entitlement to assessment for a contract of indefinite duration from 4 years to 3 years.

Establishment of an Expert Group on Fixed-Term and Part-Time Employment in Teaching

29. An Expert Group is being established in January 2014 to consider and report on the level of fixed-term and part-time employment among teachers, having regard to the importance for teachers of employment stability and security and taking account of system and school needs and Teaching Council registration requirements. It is intended that this group will initially produce an interim report with recommendations on measures which can be implemented in the short term. Further communication in relation to this matter will issue as appropriate.

Supplementary Panel Arrangements for Redeployment of Post-Primary Teachers

30. In line with the terms of the Haddington Road Agreement, a supplementary panel will be established for teachers who have had sustained periods of employment with more than one school/ETB over an extended period of time. The general principles to underpin this new scheme will include the designation of certain permanent vacancies to be filled from this panel having taken account of, *inter alia*, those permanent vacancies requiring to be filled by pre-existing panel arrangements, the awarding of CIDs, and the allocation of additional hours to existing CID holders. Discussions will be held with a view to introducing these arrangements for the school year 2014/15. Further communication in relation to this matter will issue as appropriate.

Review of Usage of the Croke Park Hours

31. A review of the usage of the additional hours provided by teachers under the Croke Park Agreement will take place involving the Department of Education and Skills, the teacher unions and school management bodies. The review will commence in early 2014 and will conclude so that any changes agreed can be implemented in September 2014. Pending the introduction of any changes, the existing arrangements in relation to the usage of the additional hours as set out in Circular 25/2011 will continue. Further communication in relation to this matter will issue as appropriate.

Alleviation arrangements regarding posts of responsibility in schools

32. The Haddington Road Agreement provides that, in the context of the ongoing moratorium on filling posts of responsibility in schools, the alleviation arrangements which previously applied will be operated on an annual basis for the duration of the Agreement. These arrangements are set out in Circular 4/2014.

Pensions

33. A teacher who retires on or before 31 August 2014 will have his or her superannuation benefits calculated by reference to the pay scales and pensionable allowances applying to him/her on 30 June 2013.
34. Where a teacher retires on or before 31 August 2014 on a pension greater than €32,500 that pension will be subject to the Public Service Pension Reduction (PSPR) as provided for in the Financial Emergency Measures in the Public Interest Act 2013 which is effective on and from 1 July 2013.
35. Information on the PSPR provisions in the 2013 Act may be viewed on the website of the Department of Public Expenditure and Reform at: <http://per.gov.ie/faqs-on-haddington-road-agreement-2/>

Circulation and Queries

36. Please ensure that copies of this Circular are provided to all members of the Board of Management/ Education and Training Board and its contents are brought to the attention of all teachers in your employment including those on approved paid or unpaid leave.
37. This Circular can be accessed on the Department's website under <http://www.education.ie>.
38. Queries in relation to this Circular should be addressed to: hraqueries@education.gov.ie

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External Staff Relations
20 January 2014

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20 January 2014

APPENDIX 1

HIGHER REMUNERATION – ALLEVIATION OF MULTIPLE IMPACTS

Step 1

Calculate the teacher's current full gross salary, including all fixed periodic pensionable allowances apart from the Supervision and Substitution allowance, where that is paid to the teacher. It should be noted that the Supervision and Substitution allowance has been discontinued with effect from the commencement of the 2013/14 school year.

If the teacher's gross salary is less than € 65,000 following this calculation, the reductions under the Financial Emergency Measures in the Public Interest Act 2013/Haddington Road Agreement will not apply. If the teacher's gross salary equals or exceeds € 65,000, the reductions will apply and will be calculated in accordance with the steps below.

Where a person is employed on less than full hours then a calculation should be made to see whether their whole-time equivalent salary is greater than € 65,000. In the event that their whole-time equivalent salary is greater than € 65,000 then the reductions should be applied to their salary on a pro-rata basis.

Step 2

Apply a 5.5% reduction to all of the teacher's salary which is below € 80,000.

Step 3

Calculate the portion of the teacher's salary which exceeds € 80,000 and apply an 8% reduction to that portion.

Step 4

Combine the figures from Steps 2 and 3.

Step 5

Reduce the figure arrived at through Step 4 by the amount of the Supervision and Substitution allowance applicable to the cohort to which the teacher belongs i.e. reduce the figure by € 1,769 for teachers paid on the pre-1 January 2011 entrant payscale and by € 1,592 for teachers paid on the post-1 January 2011 entrant or post-1 February 2012 entrant payscales.

The resulting figure is the total annual salary reduction applicable to that teacher.

Step 6

The teacher's new annual salary is the gross salary (calculated in Step 1) minus the total annual salary reduction (calculated in Step 5). Where this would result in the teacher's salary being reduced to a figure below € 65,000, the full reduction is not applied and the teacher's new annual salary is € 65,000.

Step 7

This calculation should be re-done whenever an event occurs that would affect the teacher's salary eg. achieving an increment, changes to allowance entitlements or on promotion.

Step 8

It should be remembered that for teachers on salaries of €65,000 or greater, the reduction will be restored to the rate that they would have had, but for the salary reduction, within a maximum of 18 months of the end of the 3 year Agreement (which commenced on 1 July 2013) in two equal phases.

Worked Example 1:**Step 1**

In this example, the teacher's full current gross salary is € 85,664 (comprising of Point 25 of the pre-2011 entrant Common Basic Scale plus Honours Degree allowance plus a Category 7 Principal allowance). The teacher also receives the Supervision and Substitution allowance of €1,769, but this is disregarded for the purposes of this calculation.

As the teacher's gross salary exceeds € 65,000, the reductions under the Financial Emergency Measures in the Public Interest Act 2013/ Haddington Road Agreement will apply.

Step 2

The portion of salary which should receive the 5.5% cut is € 80,000. This results in a reduction of € 4,400.

Step 3

The portion of salary which exceeds € 80,000 is € 5,664. The 8% cut should therefore be applied to € 5,664. This results in a reduction of € 453.

Step 4

Combining € 4,400 and € 453 gives € 4,853.

Step 5

Reducing € 4,853 by € 1,769 gives € 3,084. The total annual salary reduction applicable to this teacher is therefore € 3,084

Step 6

The teacher's new annual salary with effect from 1 July 2013 is € 82,580 (equates to € 85,664 minus € 3,084). It should be noted that the Supervision and Substitution allowance will be discontinued with effect from the commencement of the 2013/14 school year.

Worked Example 2:

Step 1

In this example, the teacher's full current gross salary is € 65,247 (comprising of Point 16 of the pre-2011 entrant Common Basic Scale plus Honours HDip allowance plus Masters Degree allowance plus an Assistant Principal allowance). The teacher does not currently carry out supervision duties and does not receive a supervision and substitution payment.

As the teacher's gross salary exceeds € 65,000, the reductions under the Financial Emergency Measures in the Public Interest Act 2013/ Haddington Road Agreement will apply.

Step 2

As the teacher's salary does not exceed € 80,000, the portion of salary which should receive the 5.5% cut is € 65,247. This results in a reduction of € 3,589.

Step 3

Reducing € 3,589 by € 1,769. The total annual salary reduction applicable to this teacher would normally be € 1,820. However, as application of a € 1,820 reduction would bring the teacher's salary below € 65,000, the salary is reduced to € 65,000 only. The teacher's new annual salary with effect from 1 July 2013 is € 65,000.

APPENDIX 2

- (a) Revised incremental salary scales for teachers who entered teaching between 1 January 2011 and 31 January 2012, to apply with effect from 1 July 2013. Qualification allowances continue to be paid to this cohort of teachers as appropriate.

Point	1/1/2011
	Revised scale from 1 July 2013
1	27,814
2	28,775
3	30,702
4	31,924
5	33,168
6	34,136
7	36,576
8	37,795
9	39,251
10	40,700
11	42,160
12	43,380
13	44,996
14	44,996
15	44,996
16	47,225
17	47,225
18	47,225
19	47,225
20	50,170

21	50,170
22	50,170
23	53,423
24	54,339
25	55,514

- (b) Revised hourly rates for part-time and substitute teachers who entered teaching between 1 January 2011 and 31 January 2012, to apply with effect from 1 July 2013:

	1/1/2011 Revised rate from 1 July 2013
Hourly rate post-primary (casual qualified) (includes 22% holiday pay)	41.13
Hourly rate post-primary (unqualified) (includes 8% holiday pay)	36.76

APPENDIX 3

- (a) Revised incremental salary scales for teachers who entered teaching on or after 1 February 2012 and future entrants, to apply with effect from 1 July 2013. Qualification allowances are not payable to this cohort of teachers.

Point	1/2/2012 Revised scale from 1 July 2013
1	30,702
2	33,168
3	33,950
4	36,576
5	37,795
6	39,251
7	40,700
8	42,160
9	43,380
10	44,996
11	44,996
12	44,996
13	47,225
14	47,225
15	47,225
16	47,225
17	50,170
18	50,170
19	50,170
20	50,170

21	53,423
22	53,423
23	53,423
24	58,765
25	59,940

- (b) Revised hourly rates for part-time and substitute teachers who entered teaching on or after 1 February 2012 and future entrants, to apply with effect from 1 July 2013:

	1/1/2011 Revised rate from 1 July 2013
Hourly rate post-primary (casual qualified) (includes 22% holiday pay)	40.17
Hourly rate post-primary (unqualified) (includes 8% holiday pay)	36.76