



Circular 4/2025

28th February 2025

To: National Director of Human Resources, HSE
CEOs and HR Managers of the NCSAs

Implementation of pay adjustments for 1 March 2025

Dear Sir/Madam

I am directed by the Minister for Health to convey the following instructions regarding pay adjustments, in accordance with the *Public Service Agreement 2024-2026*. The adjustments set out below are included in the attached Consolidated Salary Scales and should be applied, with effect from 1 March 2025.

General

This circular sets out pay increases due on 1 March 2025 as provided for under the *Public Service Agreement 2024-2026*.

The adjustments should be rounded to the nearest euro on annual pay scales and to the nearest cent on weekly pay scales. Hourly rates should be rounded to the nearest €0.01.

This circular also sets out arrangements in respect of the Additional Superannuation Contribution (ASC) for the year 2025.

Public Service Agreement 2024-2026

In accordance with Section 3.1 of the Agreement, the annualised amount of the basic salary of public health sector employees will be increased by 2% or €1000, whichever is greater, with effect from 1 March 2025.

Overtime

Payment in respect of overtime rendered on or subsequent to 1 March 2025 should be calculated by reference to the revised pay rates in effect from 1 March 2025.

Premium Rates of Pay

Premium rates of pay payable in respect of or subsequent to 1 March 2025 which are calculated as specific percentage or specified proportion of basic salary should be calculated by reference to the revised rates of pay with effect from 1 March 2025.

Allowances

Allowances in the nature of pay for public health sector employees are increased by 2% from 1 March 2025.

Allowances which are calculated as a specific percentage or specified portion of basic pay should be calculated by reference to the revised rates of pay in effect from 1 March 2025.

Other adjustments included in the attached DoH Consolidated Salary Scales

Single euro rounding anomalies adjusted with effect from 1 March 2025

- 506T Maintenance Foreman Assistant (PayPath): Pt6 adjusted to match 6425 Workshop Instructors (LEVEL 1).
- 3193 Paramedicine Practice Development Lead: Pt3 adjusted to match 2271 Advanced Nurse Practitioner (ID).
- 319X Environmental Health Officer: Pt6, Pt8 and Pt9 adjusted to match grade 555X Technical Services Officer, Assistant.
- 3192 HALS: Pt4 and Pt7 adjusted to match 6457 Emergency Medical Controller, Supervisor.
- 3221 Lead Lymphoedema Specialist: Pt3 and Pt5 adjusted to match 3654 Clinical Specialist Chiropodist.
- 3222 Lymphoedema Specialist: Pt7 adjusted to match 3346 Chiropodist/Podiatrist Senior.
- 3111 Epidemiologist, Senior: Pt7 and Pt9 adjusted to match 3876 Medical Scientist, Chief (retirements pre 1.1.24 only)
- 3113 Surveillance Officer Public Health: Pt3, Pt5, Pt9, and Pt12 adjusted to match 3039 Laboratory Scientist (PALs) **
no new appointees wef 16.06.22 **

3140 HSCP National Lead

The HSCP National Lead scale has been adjusted wef original grade sanction date as per revised sanction issued.

Trainers Allowance (Management of Aggression & Violence)

In line with Circular 1/2025 the allowance for Training in the Management of Aggression & Violence has been newly added to the scales.

6122 Ambulance Officer & 6125 Ambulance Officer, Chief

The rates of pay for this grade have been adjusted with retrospective effect from 1 February 2022. Revised rates for each general round increase since that date are included in the attached DoH salary scales. The previous rates given for this grade should be replaced by the attached rates and applied retrospectively as appropriate from 1 February 2022.

2006 Annual Radiographer / Radiation Therapist Allowance

In line with Circular 13/2024 the 2006 Annual Radiographer / Radiation Therapist allowance has been newly added to the scales.

6522 Psychosis Key Worker, Early Intervention

At the request of the HSE, this grade, which was formerly grade code 3072, has been moved from the HSCP staff category to Patient & Client Care staff category where it is now assigned grade code 6522.

Pensions

The principle of pay parity in pension increases for pre-existing public service schemes has been agreed up to the end of 30 June 2026, in line with the Public Service Agreement 2024-2026. Public health sector pension increases should be passed on to pensions in line with that policy. Guidance on the methodology for calculating these pension increases is appended to the letter 'Application of "Pay Parity" as Pension Increase Policy, in line with the Public Service Agreement 2024-2026' dated 24 September 2024 (attached).

Single Public Service Pension Scheme ('Single Scheme') pensions are uprated in-line with the Consumer Price Index (CPI), subject to a separate instruction from DPENDPDR. Therefore, Single Scheme pensions in payment in respect of former public health sector employees, will not be adjusted with reference to the revisions of basic pay set out above.

Additional Superannuation Contributions (ASC)

The ASC rates for 2025 are unchanged. Below are the current rates of ASC as provided for in Part 4 of the Public Service Pay and Pensions Act 2017.

Thresholds/Rates in 2025

Member of a standard accrual pension scheme	Member of a fast accrual pension scheme	Member of the Single Scheme
€0 - €34,500 @ 0%	€0 - €28,750 @ 0%	€0 - €34,500 @ 0%
>€34,500 - €60,000 @ 10%	>€28,750 - €60,000 @ 10%	>€34,500 - €60,000 @ 3.33%
>€60,000 @ 10.5%	>€60,000 @ 10.5%	>€60,000 @ 3.5%

General Queries

Requests for clarification from individual employees should be directed to the employee's own HR Manager where they are employed. Requests for clarification from HR Managers in the NCSAs and from HSE National Employee Relations should be raised directly with National_HR_Unit@health.gov.ie.

Circulation

Please bring this circular and attached set of Department of Health Consolidated Salary Scales to the attention of HR Managers, payroll and staff of your organisation. The HSE is also requested to bring this circular to the attention of Section 38 employers.

Yours sincerely



Michael O'Leary
Principal Officer
PPSU & IRU
Resources Division

APPENDIX A

Application of “Pay Parity” as Pension Increase Policy, in line with the Public Service Agreement 2024-2026

24 September 2024
File Ref: P18-13-2018

Dear HR Manager / Pension Administrator,

The purpose of this letter is to confirm the continuation of pension increase policy for pre-existing public service pension schemes¹ for the duration of the Public Service Agreement 2024-2026, and convey sanction for the implementation of that policy until 30 June 2026 (inclusive).

This letter should be brought to the attention of all public service bodies and pension administrators under the aegis of your Department/Office.

1. Application of pension increase policy from 01 January 2024 to 30 June 2026 inclusive

The Minister for Public Expenditure, NDP Delivery and Reform has agreed that pension increases for occupational pensions in payment under pre-existing public service pension schemes will continue to be applied under the policy known as “pay parity” for the duration of the Public Service Agreement 2024-2026.

2. Guidance on practical application of pay parity

Any pension increases due under *Building Momentum - A New Public Service Agreement 2021-2022* or its extension to end-2023 should be applied in accordance with Circular 10/2021: *Instruction on the pension increase policy in the public service until end 2022*² prior to the application of any increase due under the Public Service Agreement 2024-2026.

This letter includes appended guidance on the general application of pay parity, including for the duration of the Public Service Agreement 2024-2026, and some examples of how pay parity is applied.

3. Queries

Further information on public service pension policy may be found at the following link:
<https://www.publicservicepensions.gov.ie/>.

- Individual queries about this Letter from retired or serving public servants should be raised with their pension administrators or local HR units.
- Queries from public service bodies should be raised with their parent Department.
- Departments with queries should raise the matter with this Department via email to pensions@per.gov.ie.

Yours sincerely

Jasmina Behan
Assistant Secretary
Work and Pensions Division, DPENDPR

¹ “Pre-existing public service pension schemes” as defined in the Public Service Pensions (Single Scheme and Other Provisions) Act, 2012 (“the Single Scheme Act”), which excludes the Single Scheme.

² This includes pension increases under the extension to the Building Momentum Agreement that are effective from dates in 2023.

Application of “Pay Parity” as Pension Increase Policy, in line with the Public Service Agreement 2024-2026

Guidance on the application of pay parity

Part 1: Introduction

1. Post-retirement increases to pensions in payment awarded under pre-existing public service pension schemes are generally not provided for under pension scheme rules, and therefore there is no guarantee or entitlement to such increases.
2. Section 29(2) of the Pension Increase Act 1964 provides that the Minister for Public Expenditure, NDP Delivery and Reform (previously the Minister for Finance³) may make regulations to provide for increases to public service pensions in payment. Such increases are awarded at the discretion of the Minister.
3. A policy of increasing public service pensions in payment developed incrementally from the 1960s onwards as part of pay negotiations with public service trade unions, and has not taken precisely the same form over that time. The guidance in this document is specific to the policy in its current form, which has been in use since the mid-1980s.
4. In general, this policy (known as “pay parity”) means that pensions are increased in proportion with increases applied to the pay scale of the grade or post held by the pensioner at retirement, and that the timing of such pension increases is effective from the same dates as the corresponding pay increases.
5. Operational implementation of public service pension increases is a matter for the relevant Department and pension administrator.

Part 2: Pension increase methodology under pay parity

6. Under the policy of pay parity, pensions qualify for an increase in proportion with the increase applied to the relevant pay scale (and scale point) and with effect from the same effective date as that increase.
7. Such increases must be a permanent feature of the pay scale, and therefore lump sum or bonus payments awarded to public service employees do not pass to public service pensioners via the policy of pay parity.
8. Where a retiree is awarded a pension based on net pensionable remuneration, which takes account of the rate of social insurance pension / State Pension (Contributory) (SPC) paid on the date of retirement, increases will be applied to the occupational element of the pension.
9. In respect of the methods described below in paragraph 10 the following terminology definitions apply:
 - “*In-service salary*” means the salary of those still serving in the same grade and at the same scale point as the pension recipient, provided there hasn’t been a permanent structural adjustment to the pay scale for the grade that effectively breaks the link with the pensionable salary on which the pension was based at date of retirement.⁴ Where relevant this can also be taken as the salary that would apply if there was an employee still serving in that grade.
 - “*Pensionable remuneration*” means the rate of pay used in calculating a public service pension award, uprated as appropriate by any pay increases post-dating retirement which were passed on to the pension; this includes the value of pensionable variable allowances and pensionable fixed periodic allowances used in the pension calculation, also uprated as appropriate.
 - “*Pensionable salary*” means that part of pensionable remuneration which relates to salary only. It differs from pensionable remuneration in excluding pensionable variable and pensionable fixed allowances.

³ Functions transferred under s.9(1)(a)(i) of the Ministers and Secretaries (Amendment) Act 2011

⁴ Where at any stage there has been a permanent structural adjustment to the pay scale for the grade that effectively breaks the link with the pensionable salary on which the pension was based at date of retirement, the pension is no longer linked to a salary scale for serving staff but to a “notional salary scale”, defined as a salary scale that is not in payment to serving staff of the public service body in question but that serves for pension increase purposes only. See Part 6 below.

- A “*service decimal*”, where used, is generally created on initial calculation of the pension, and is derived by dividing the occupational pension payable by the relevant pensionable remuneration.
10. Where a pension qualifies for an increase, the two main methods for calculating the amount and applying the increase are the “multiplier method” and the “service decimal method”.
- The **multiplier method** requires finding the difference between the pensionable salary, and the corresponding in-service salary (including in-service pensionable variable allowances, if any) after the pay increase is applied. This amount is expressed as a percentage of the pensionable remuneration. The pension is then increased by this percentage.
 - Use of the **service decimal method** for pension increases requires that a service decimal has already been established. The part of the pension relating to pensionable salary is increased by applying the service decimal related to it to the newly uprated pensionable salary; this takes account of the increased in-service salary. Any part of the pension relating to a fixed pensionable allowance is likewise increased by applying the service decimal to the newly uprated allowance amount.

The method used in a given case generally depends on the established operations of the body administering the pension increase.

11. Where a pension increase is applied retrospectively, arrears should be calculated from the effective date of the pension increase.

Part 3: Guidance relating to general round pay increases

12. A general round pay increase is typically administered as an across-the-board salary increase, with either a fixed amount or a percentage pay increase being applied to all pay scales. This may include all sectors of the public service, or may be sector-specific.
13. Pensions do not qualify for an increase under pay parity if their former pay scale did not receive a pay increase (actual or notional). This could arise where certain pay scales are not increased under a pay agreement involving use of a sectoral bargaining fund.

Part 4: Guidance relating to special increases in pay

14. In practice, some special pay increases for serving staff have been passed on to pensions and some have not.
15. If the increase is to be passed on to the relevant cohort of public service pensioners, this will generally be confirmed in the relevant written agreement formalising the pay increase or, in the relevant formal implementation instruction (such as a circular).
16. While not a comprehensive list, some conditions which may have to be met before special pay increases are passed on to pensions are:
- The increase must apply to all staff serving in the grades or posts concerned;
 - Assimilation of serving staff to the revised pay scales must be on the basis of “corresponding points” (i.e. not on “starting pay on promotion” or “re-grading” terms);
 - The increase must not have been awarded in consequence of a substantial restructuring or alteration of duties which, in effect, constitutes regrading of the posts or grades concerned;
 - The increase must not have been awarded in respect of increased productivity from serving staff; and
 - The increase must be a permanent feature of the pay scale.

Part 5: Guidance relating to pensionable allowances

17. Whether pension increases should be passed on under pay parity to pensionable allowances will typically be confirmed in the relevant formal instruction with regard to adjustments to pay, such as a Circular.

18. For example, Circular 04/2024 - Application of 1 January 2024 Pay Adjustments provides that all allowances in the nature of pay will be increased from 1 January 2024 and therefore the increase should also be applied to the portion of pensionable remuneration comprised of pensionable allowances.
19. Under the policy of pay parity, if a pay allowance which was not pensionable becomes pensionable, or a new pensionable pay allowance is introduced with effect from a specific date, officers who have retired prior to that date do not benefit from a pension increase as a result.

Part 6: Guidance relating to pensions linked to different salary scales than the pensioner retired on (including notional scales)

20. Where a post or grade is abolished, the normal practice is to base the pension of an officer who has retired from that post or grade, on the scale point of an existing related grade which is closest to the point held at retirement by the former employee. Future increases in the pensions of retirees from the abolished grade/post are then based on application of the relevant percentage increase to the existing grade concerned.
21. Alternatively, if there is no suitable related grade, the pay scale relating to the abolished grade may be maintained as a “notional scale”.
22. Where a post is upgraded or downgraded following the date of an officer’s retirement, the pension is increased by reference to the pay the officer would have received if they had remained in the post, but ignoring the upgrading or downgrading which occurred post-retirement.

For example, if a cohort of current employees / their representatives negotiate a pay increase by way of additional scale points being added to the relevant pay scale, or by a move to a new pay scale, then those retirees who had previously occupied the role will not generally see a change to their pension as a result.

Application of “Pay Parity” as Pension Increase Policy, in line with the Public Service Agreement 2024-2026

Appendix 2: Examples of application for 1 January 2024 general round increase, by reference to both the multiplier and service decimal calculation methods

In accordance with Section 3.1 of the Public Service Agreement 2022-2026, a general round increase in annualised basic salary for all public servants of 2.25% or €1,125, whichever is greater, applies on 1 January 2024.

Salary pre-increase	Salary post-increase	Percentage increase*	Pension pre-increase	Service Decimal	Pension post-increase	Monetary Difference**
€33,017.00	€34,142.00	3.41%	€16,508.50	0.500000	€17,071.00	€562.50
€39,508.00	€40,633.00	2.85%	€8,691.76	0.220000	€8,939.26	€247.50
€59,560.00	€60,900.00	2.25%	€15,936.59	0.267572	€16,295.13	€358.55
€84,325.00	€86,222.00	2.25%	€29,513.75	0.350000	€30,177.70	€663.95
€88,204.00	€90,189.00	2.25%	€44,102.00	0.500000	€45,094.50	€992.50

* As this increase applies a pay increase of 2.25% or €1,125, whichever is greater, the percentage increase can be more than 2.25%.

** Application of pension increases via pay parity involves increase by the relevant proportionate amount, as applied to the pay rate. Therefore, the pension increase to apply will flow from the increase applied to the relevant salary and a comparison of % vs. monetary increase does not occur i.e., the 2.25% or €1,125 comparison is only relevant in determining the pay increase amount and does not apply to pensions directly.