



To All AHCPs Members

Public Sector Pay Agreement 2024-2026

Following extensive engagement between the public sector unions and the Government, a new public sector pay agreement has been finalised. The proposed agreement was published on Friday 26th January 2024, following two months of challenging negotiations.

Going into the negotiations the union side had a clear set of priorities agreed by the Public Services Committee of ICTU on 27th September 2023: that any new agreement would address the rising cost of living, especially for low-to middle- earners, that it would contain provisions to allow for the normalisation of industrial relations, that it would contain a measure to stabilise the agreement through the inclusion of a local bargaining clause, and that proposals for future proofing public services would be considered.

The talks adjourned on 10th January after union negotiators rejected a Government offer totalling 8.5%. It is the view of the negotiators that the agreement reached on Friday 26th represents the “maximum achievable through negotiation at this moment.”

The pay terms of the new agreement are valued at 9.25% over 2.5 years. In addition, the agreement contains a 1% local bargaining clause to address claims relating to particular grades, groups or categories. It is anticipated that local negotiations on this aspect of the agreement will commence in July 2024.

The improvements in the pay adjustments due in 2024 – valued at 4.25% for the year – would mean that public service workers would receive more money in the first year than originally envisaged in the Government’s initial pay offer, providing a noticeable difference in pay this year at a time when workers are still feeling the impact of three consecutive years of inflation.

The proposals are available to view via the following link:

<https://www.ahcps.ie/wp-content/uploads/2024/02/Public-Service-Agreement-2024-2026.pdf>

The main elements of the agreement are as follows:

- The agreement provides for an **additional 9.25%** between **1st Jan 2024** and **1st June 2026** as follows:

2024

- A general round increase in annualised basic salary for all public servants of **2.25%** or **€1,125**, whichever is greater, from **1st January 2024**
- A general round increase in annualised basic salary for all public servants of **1%** on **1st June 2024**
- A general round increase in annualised basic salary for all public servants of **1%** or **€500**, whichever is greater, on **1st October 2024**.

2025

- A general round increase in annualised basic salary for all public servants of **2%** or **€1,000**, whichever is greater, on **1st March 2025**
- A general round increase in annualised basic salary for all public servants of **1%** on **1st August 2025**

2026

- A general round increase in annualised basic salary for all public servants of **1%** or **€500**, whichever is greater, on **1st February 2026**
- A general round increase in annualised basic salary for all public servants of **1%** on **1st June 2026**.

Public Sector Reform and Modernisation

The agreement reaffirms the provisions of previous agreements on the continuing transformation of public services and continues to provide a framework to enable the sustained transformation of public services.

The agreement also acknowledges a leading role for the public service in embracing and adapting to developments in digitalisation and commits unions and the employer to a process of consultation and engagement, with a view to achieving the Government's target of making 90% of applicable public services accessible online by 2030.

View of the Executive Committee:

The Executive Committee of the Association considered the proposed Agreement during an extensive discussion at its meeting on 12th February 2024. At this meeting, the Executive Committee agreed with the assessment of the ICTU negotiators that the proposals are the best that could have been achieved in the current circumstances. The Committee was of the view that the proposed pay increases and backdated element, will significantly assist members in meeting the challenges posed by the current economic conditions.

In light of the above, the Executive has decided to recommend to members acceptance of the agreement.

Next Steps

The Association will conduct an online ballot of members in respect of this proposed agreement. A link to a voting registration page for AHCPs members will be circulated via the Branch Secretaries. The latest date for the casting of ballots is **14 March 2024**.

If the membership votes **YES** the Association will communicate this result to the Public Services Committee of ICTU. The Association will then be subject to the aggregate vote of the Public Service Committee on 25th March meaning that a majority position will apply.

If the membership votes **NO** the Association will again be bound by the aggregate vote of the PSC. If the aggregate vote is **NO** it is unclear if further talks will take place or not.

Yours sincerely



Ciaran Rohan
General Secretary

Appendix 1	FAQs
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What are the pay terms for AHCPs members if the Agreement is ratified?

- 2.25% from 1/1/24 (backdated)
- 1% from 1/6/24
- 1% from 1/10/24
- 2% from 1/3/25
- 1% from 1/8/25
- 1% from 1/2/26
- 1% from 1/6/26

If the proposed agreement is accepted, unions will not be able to lodge 'cost-increasing' claims for improvements in pay or conditions during the lifetime of the agreement.

Do the pay improvements apply to allowances?

The increases will apply to pensionable allowances.

What is the local bargaining clause?

The proposed Public Sector Pay Agreement 2024-2026 contains a local bargaining clause that provides for claims or proposals up to 3% of the payroll cost of a bargaining unit. That could be a grade, group or category. While other cost increasing claims are precluded, this represents a

significant improvement on the blanket exclusion of cost increasing claims that has been a feature of public service agreements for several years.

It is different to sectoral bargaining as defined in Building Momentum. There is no fund as such. However, it will be possible to use local bargaining to address structural issues and work practices. Accordingly, it is the first opportunity in many years to negotiate on these issues.

While it is described as local bargaining, this is really to differentiate it from the national pay terms. In practice, it will still make sense to approach this from a national perspective but related to particular grades, groups and categories.

While the calculations made related to the pay deal refer to a straight 1 % pay increase from 1 September 2025 there is scope to use the cost involved to address other issues such as the pay and grading structures.

In considering this, account would be taken of the entire 3% not just the first phase to be implemented during this agreement. So, agreements on local bargaining would be focused on using the full 3% and, in effect, the implementation of the 2% balance would be to the fore in 2026 in negotiations on a successor deal.

It is expected the local negotiations will commence in July 2024.

What modernisation and reform measures are in the package?

The agreement reaffirms the provisions of previous agreements on the continuing transformation of public services and continues to provide a framework to enable the sustained transformation of public services.

The agreement also acknowledges a leading role for the public service in embracing and adapting to developments in digitalisation, and commits unions and the employer to a process of consultation and engagement, with a view to achieving the Government's target of making 90% of applicable public services accessible online by 2030.

What happens if the economic and fiscal situation changes?

Like previous agreements, the proposed new agreement contains a provision to review the terms of the agreement "where the underlying assumptions of the agreement need to be revisited."

What are the implications for public service pensioners?

If the proposed agreement is ratified, existing policy on the application of pay increases to civil and public service pensions will continue for the duration of the agreement. In the main, this means that pension payments will be adjusted in line with pay adjustments for serving staff.

Pensions are adjusted in line with inflation (the Consumer Price Index, or CPI) in the case of the single public service pension scheme, which applies to all civil and public servants who entered public service employment on or after 1st January 2013. This means that the pensions of members of this scheme are not affected by pay movements, including those in the proposed agreement.