



DEPARTMENT  
OF HEALTH AND  
CHILDREN  
AN ROINN  
SLÁINTE AGUS LEANAÍ

Shaping a  
Healthier Future

Ref. 15/2002

/5<sup>th</sup> March, 2002

CEO / Regional Chief Executive  
E.R.H.A./ Each Health Board

Secretary/Manager  
Each Public Voluntary  
and Joint Hospital Board  
outside the E.R.H.A. region

Chief Officer  
Each Mental Handicap and Specialist Agency  
outside the E.R.H.A. region

**Payment of 1% Lump Sum Under the Programme for Prosperity and Fairness**

A Chara,

I am directed by the Minister for Health and Children to refer to the Agreement on Pay and Conditions of Employment between the Irish Congress of Trade Unions and Employers Organisations which forms part of the Programme for Prosperity and Fairness.

The Minister now conveys approval for the issue, on 1 April, 2002, of a once-off lump sum equal to 1% of basic pay.

Set out below is the basis which will be used to calculate this payment:

**Employees covered**

The payment will be made to those in employment on that date. For the avoidance of doubt, employees on leave schemes such as holidays or term time or availing of their entitlements including maternity leave or sick leave will be entitled to the payment. In relation to part-time employees (including those job-sharing and work-sharing) normal pro-rata rules will apply. Employees on career breaks will not be entitled to the payment.

**Pensioners**

Pensioners will also receive the lump sum based on 1% of the annual amount of pension payable on 1 April, 2002.

### **Basis of calculation**

The amount to be paid will be calculated on the annual basic salary rates as on 1 April, 2002 and rounded to the nearest cent. In accordance with normal practice, annual basic salary includes allowances in the nature of pay on that date but does not include other additions to pay. Where normal payment is not made by means of an annual/weekly salary (e.g. hourly paid) the method of calculation of the appropriate annual salary to which the 1% will apply will be agreed sectorally by the unions and the employer agencies concerned to enable a calculation to be made. Any other situations which are not covered by the above arrangements will need to be discussed with the relevant personnel in Personnel Management and Development, as detailed in the Consolidated Salary Scales booklet.

The Minister wishes to remind you that the Programme for Prosperity and Fairness (Framework I, Annex I) states that:

*"This Agreement:*

- provides that no cost-increasing claims by trade unions or employees for improvements in pay or conditions of employment, other than those provided in Clauses 3 & 5, will be made or processed during the currency of the Agreement;*
- commits employers, trade unions and employees to promoting industrial harmony; and*
- precludes strikes or other forms of industrial action by trade unions, employees or employers in respect of any matters covered by this Agreement, where the employer or trade union concerned is acting in accordance with the provisions of this Agreement.*

*Where the parties cannot reach agreement through negotiations on any matter covered by this Agreement, they shall jointly refer the matter to the LRC/Labour Court or, where appropriate, to other agreed machinery. Where a dispute arises as to what constitutes a breach of the Agreement, that will be referred to the Labour Court and the parties shall agree to comply with its findings."*

Consequently, no offers or commitments whatever should be made at any stage with regard to special increases, or for improvements or in conditions of employment of any grade, group or individual, without prior consultation with the Health Service Employers Agency.

Your 2002 allocation has been adjusted to take account of the cost of this payment.

Any queries in relation to this circular should be addressed to the Personnel Management and Development, as detailed in the Consolidated Salary Scales booklet.

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Frank Ahern

Director

Personnel Management and Development