



An Coimisiún um Chaidreamh san Áit Oibre  
Workplace Relations Commission

Áras Lansdún, Bóthar Lansdún, Droichead na Dothra,  
Baile Átha Cliath 4, Éire.  
Lansdowne House, Lansdowne Road, Ballsbridge, Dublin 4, Ireland.

T: 1890 22 02 27 or +353 (0)1 6136700  
F: +353 (0)1 6136701

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Liam Berney – ICTU

Sorcha Murray – Department of Health

John Delamere – HSE CERS

### Section 39 Funded Organisations – pay restoration

I refer to the discussions in respect of the above matter and, following extensive engagement the following proposal has been tabled. This proposal is presented as the best that can be achieved and addresses the restoration of direct previous pay reductions implemented in Section 39 organisations over the period 2010-2013. These cuts were outlined in the interim report of the pilot exercise involving 50 Section 39 Organisations that highlighted a variance in terms of what pay restoration had or had not occurred. The overall ambition in terms of this proposal is to set out the timelines and payment structures that will provide for this restoration in relation to the 50 pilot organisations in the first instance.

### Audit/ Validation

It is proposed that cuts will be restored to reflect full restoration as follows subject to the verification and audit process outlined in the interim report (ref page 20) in June 2018.

1. Pilot organisations will make formal application with detailed payroll calculations per individual employee, supported by CEO and Board members signed statutory declarations,
2. There will be a measure of validation together with HSE internal audit review on submissions,
3. Organisations ability to pay within existing resources will be reviewed.

This agreement does not change whether the organisation align themselves, or not, to consolidated pay scales or how organisations keep pace with the pay scales or their progression once the original pay reduction has been restored.

#### Restoration Schedule

1. Management have agreed to payment of the first phase of this restoration which will be a €1000 annual increase in salary, effective from 30 April 2019 \*
2. A further payment will apply from 1 October 2020 equating to 50% of outstanding restoration due.
3. A final payment will apply from 1<sup>st</sup> October 2021 equating to the remaining balance which will provide for a 100% restoration from this date.

It is recognised that some of the remaining Section 39 organisations (estimated 250 approximately) are likely to have pay restoration issues and a process to address these will be agreed and the parties will commence engagement on this issue during 2019.

The Chair notes the Department of Health and the HSE position that this pay restoration does not encompass future pay progression in Section 39 funded organisations. However, the Chair also notes that the unions disagree with the Department of Health and HSE position on this issue and reserve the right to pursue this matter through the appropriate IR machinery.

All parties agree to recommend the above proposal for acceptance, however, if either party reject it will be withdrawn without status.

Yours sincerely

Anna Perry  
Director  
Conciliation Services

*\*This is up to €1000, provided the effect of this measure does not result in any individual attaining salary increase that exceeds the loss that has applied earlier*