

Ref No: E150/07/12

28th June 2012.

**Collective Agreement:
Redundancy Payments to Public Servants**

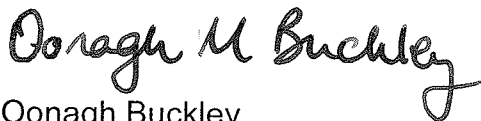
Dear Personnel Officer,

I would like to draw your attention to the attached collective agreement reached between this Department and the Public Services Committee of the ICTU on the terms that, with effect from 1 June 2012, will apply on the redundancy of a public servant as defined under the Financial Emergency Measures in the Public Interest Acts 2009 – 2011

Please ensure that this agreement is brought to the attention of the manager responsible for personnel/industrial relations issues both in your Department and to all public service bodies under the auspices of your Department.

Enhanced terms must not, in any circumstances, be offered to any group or class of public servants without prior written approval from this Department.

Yours sincerely,



Oonagh Buckley,
Principal
Pay and Industrial Relations Division.

Appendix A

Collective Agreement: Redundancy Payments to Public Servants

Under the Public Service Agreement 2010 – 2014 the parties have agreed that Public Service numbers will be reduced in accordance with Government policy on public service numbers, as implemented through Employment Control Frameworks. To that end, the Agreement states (paragraph 1.5) that, where the circumstances require it, the Government may offer voluntary mechanisms to exit the public service, whether generally or in specific sectors, bodies, locations or services.

The Agreement includes a commitment (paragraph 1.6) by public service management that compulsory redundancy will not apply within the Public Service; however this is subject to some key qualifications, namely that it is subject to compliance with the terms of the Agreement, in particular on flexibility on redeployment. There is a saver for circumstances “where existing exit mechanisms apply”. There are established practices for making public servants redundant in appropriate circumstances, on the expiry of employment contracts or where redundancy terms have been agreed or generally applied¹.

It has been agreed on behalf of the Department of Public Expenditure and Reform and the Public Services Committee of ICTU that the following will apply, with effect from 1 June 2012, on the redundancy of a public servant as defined under the Financial Emergency Measures in the Public Interest Acts 2009 – 2011² or group or class of public servants³:

- Any *ex gratia* payment will amount to no more than 3 weeks pay per year of service, subject to the total statutory redundancy and *ex gratia* payment not exceeding either 2 years' pay or one half of the salary payable to preserved pension age, whichever is less;
- In accordance with the provisions in the Redundancy Payments Acts 1967 - 2007, public servants in employment for less than 2 years [104 weeks] are not eligible for a severance payment (statutory or *ex gratia*);
- Public servants will be advised in writing prior to acceptance of the *ex gratia* payment that s/he will not be eligible for re-employment in

¹ The Implementation Body established under the Agreement has noted [17 February 2012] that it was not intended that these practices would be superceded by the Agreement.

² Including public servants employed for a fixed term, meeting the criteria for redundancy under the Redundancy Payments Acts 1967 to 2007 and to whom a redundancy payment is required to be paid in accordance with the Protection of Employees (Fixed Term Work) Act 2003.

³ A public service employer may seek the sanction of its parent Department and the Department of Public Expenditure and Reform to make a collective agreement with a body representing relevant employees that varies some or all of the terms of this agreement. The redundancy arrangements specified under DES Circular 0058/2006 are unaffected by this collective agreement.

the public service by any public service body (as defined by the Financial Emergency Measures in the Public Interest Acts 2009 – 2011) for a period of two years from termination of the employment. Thereafter the consent of the Minister for Public Expenditure and Reform will be required prior to re-employment. This declaration will also include an authorisation that their information (PPS number and details) can be used by their employer or any other public service body for the purposes of monitoring compliance with this provision.

This collective agreement will be reviewed from time to time in light of the prevailing economic and fiscal conditions.