



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.

TO:
Department of Public Expenditure & Reform
Irish Congress of Trade Unions Public Sector Committee

Tuesday 30 August 2022

Case No: C-166518-22
Issue: Review of Building Momentum

Further to the request for a review of the *Building Momentum* Agreement in accordance with section 5.7 of the Agreement, and following extensive engagement with the parties, the Workplace Relations Commission makes the following proposal (attached) on the basis that it is being recommended by all parties for acceptance.

In the event of its rejection, this proposal will be deemed to be withdrawn and without status.

Liam Kelly
Director General

Anna Perry
Director of Conciliation

Aibheann Ni Shuilleabhain
Deputy Director of Conciliation

Sylva Langford
Regional Manager

1. Review of Building Momentum

1.1 A review of Building Momentum was conducted in accordance with Section 5.7 of the Agreement in acknowledgement of changes to the underlying assumptions of the Agreement regarding inflation.

1.2 The parties have noted that inflationary pressures have evolved over the period of the Agreement in a manner that was not anticipated in late 2020. The parties also recognise the high level of economic uncertainty which forms the backdrop to this Review Agreement.

1.3 The parties agree to re-affirm the text and commitments of Building Momentum (and previous public service agreements) save where varied by the provisions of this review Agreement.

1.4 The parties agree to an extension in the terms of the existing public service agreement, Building Momentum, by 12 months to 31 December 2023.

2. Commitment to delivery

2.1 Building Momentum was agreed in an unprecedented time, in a landscape that was dominated by the challenges of Brexit and the Covid-19 public health emergency. The Covid-19 pandemic saw an extraordinary display of commitment, flexibility hard work and agility in service provision across the range of civil and public services. Building Momentum reflects a commitment to harness this momentum for change to meet immediate and future challenges.

2.2 Chapter 1 of Building Momentum and the appendix includes a comprehensive agenda for reform and delivery of quality public services.

2.3 Owing to the commendable effort and commitment of public servants throughout the system, significant progress has already been made in delivering on key productivity and reform measures across all sectors. The progress made in this regard has been reflected in periodic reports on sectoral reform action plans.

2.4 The parties agree that the efforts to deliver on this extensive reform agenda will continue. The agility demonstrated by the public service in response to the Covid-19 pandemic will continue as the crisis subsides; and the need to address issues arising from Brexit remains. The conflict in Ukraine brings fresh challenges that can also be addressed within the framework of the existing reform agenda.

2.5 The enabling reform agenda outlined in Building Momentum will, therefore, continue to drive improvements in service delivery for the citizen. As inflationary pressures create a cost of living challenge for all citizens, the public service will need to be responsive, adaptable and progressive in order to support our citizens in meeting that challenge.

2.6 Accordingly, the parties reaffirm their commitment to the productivity and reform agenda and commitments set out in Section 1 of the Building Momentum agreement.

2.7 There will also be engagement between the parties on the implementation of the McLoughlin Report with a view to commencing implementation from December 1st 2022, on a cost neutral basis. In addition, in line with Labour Court Recommendations LCR21900, LCR21901 and LCR22075 and,

more recently, the Report of the Expert Review Body on Nursing and Midwifery, the parties agree that Recommendation 38 of that review will be immediately implemented in full.

3. Pay

3.1 The following pay adjustments will apply in addition to the existing pay terms in Building Momentum:

- An increase in annualised basic salaries for public servants of **3% on 2 February 2022**. Section 3.1.4. of the existing Agreement will apply in respect of this adjustment.
- An increase in annualised basic salaries for public servants of **2% on 1 March 2023**.
- An increase in annualised basic salaries for public servants of **1.5% or €750, whichever is greater, on 1 October 2023**.

3.2 These adjustments are in acknowledgment of the fact that higher than anticipated rates of inflation have emerged since mid-2021, the current projections for inflation in 2022 and 2023, and the particular impact of cost of living pressures for those on lowest incomes.

3.3 The Public Service Pay Commission in the context of its reports on recruitment and retention issues in the public service over 2018 and 2019 recommended that the parties should consider putting arrangements in place, at an appropriate time, and without compromising the stability of the public service pay bill, by which a broader review of public service pay could be progressed. A sectoral bargaining fund was established under Building Momentum, to provide a mechanism (as set out in section 2.1.1) to address some outstanding adjudications, commitments, recommendations, awards and claims. In order to build on this process, the parties agree that an initial exploratory engagement on the potential options for a future approach to such issues will take place in early 2023 with a view to informing negotiations on a successor public service agreement.

4. Resolving disagreements and ensuring industrial peace

4.1 The parties reaffirm their commitment to the provisions of Chapter 5 of Building Momentum as clarified in February 2022 and to utilising the dispute resolution procedures.

4.2 As stated in section 5.5.4 of the Agreement the benefits of the Agreement as amended by the Review Agreement, will be confined to those employees represented by unions in membership of the Irish Congress of Trade Union or other unions or representative associations which have notified the WRC of their intention to comply with the Agreement.