

<b>Lead topic: Pay and Pensions</b>	<b>Sub-topic: Lansdowne Road Agreement</b>	<b>Contact: David Hardiman Ext: 5446</b>
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#### **FAST FACTS**

- **LRA:** The Lansdowne Road Agreement
  - extends the terms including the productivity and reform measures (additional hours etc.) of the Haddington Road Agreement (HRA) out to July 2018,
  - introduces measures to restore a portion of the reduction in take-home pay of public servants on a phased basis to 2019;
  - Legislation currently before Oireachtas to implement terms of LRA
- **PAY:** The cost of implementing the LRA is €267m (2016), €290m (2017) and €287m (2018)
  - [Cumulative €267m (2016), €557m (2017) and €844m for (2018)];
- This include costs already committed from HRA of €18m (2016) €128m (2017), and €132m (2018) comprising
  - Teacher’s Supervision and Substitution Allowances of €18m (2016), €53m (2017), and €35m (2018);
  - Pay Restoration for those on over €65k of €75m (2017) and €97m (2018);
- **PENSIONS:** Measures reducing the impact of the Public Service Pension Reduction (PSPR) on retired public servants will also be implemented from 1 Jan 2016.
- Cost for PSPR is an additional €30m p.a. to 2018 [Cumulative €30m for 2016, €60m for 2017, and €90m for 2018];
  - The changes will remove significant numbers of pensioners (approx. 65,000) from the PSPR net. By 2018, only approx. 25,000 public service pensions will be impacted by PSPR ;
  - For 2016, there will be a return of €400 to most PSPR-impacted pensioners;

## Q&As

- **Pension Related Deduction (PRD):** Exemption threshold will change as follows:
  - 2015 increase from €15,000 p.a. to €17,500 p.a.
  - 1 Jan 2016 increase from €17,500 p.a. to €26,083 p.a.  
*(‘blended rate’ to represent threshold increase from €17,500 to €24,750 on 1 Jan 2016, and from €24,750 to €28,750 on 1 Sept 2016)*
  - 1 Jan 2017 increase from €26,083 p.a. to €28,750 p.a.
- The gross annual benefit of the measures in 2016 will average €730 per person.
- **Pay increases as follows:**
  - 1 Jan 2016 annualised salaries up to €24,000 to increase by 2.5%;
  - 1 Jan 2016 annualised salaries from €24,001 up to €31,000 will increase by 1%;
  - 1 Sept 2017 all annualised salaries up to €65,000 will increase by €1,000;
- **Over €65k Pay Restoration:** Those on salaries over €65,000 p.a. will get the additional cuts imposed under FEMPI 2013 restored as follows:
  - €65,000 to €110,000: 50% on 1 Apr 2017, 50% on 1 Apr 2018,
  - Over €110,000: 1/3 on 1 Apr 2017, 1/3 on 1 Apr 2018, and 1/3 on 1 Apr 2019,
- **Teachers:** Under HRA, Supervision and Substitution Allowance payments were discontinued from school year 2013/2014, with arrangements for
  - €800 increase to common basic scale for teachers from school year 2016/2017,
  - Further €800 increase to common basic scale for teachers from school year 2017/2018;