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FROM: Neil Gibson
DATE: 23 May 2023
TO: All industrial colleagues

Following my communications to you on 6 January and 6 April in relation to the 2022 pay offer, the recognised trades unions have consulted their members. Both Unite and GMB rejected the terms of the overall offer.

Unfortunately, there has been no change in the challenging budget position and the NICS is unable to improve its overall pay offer, meaning the process of pay bargaining has come to an end. I have therefore decided to implement the award.

I fully understand that, having worked in challenging circumstances and continuing to do so, you are unhappy and disappointed with the pay offer. It remains a matter of deep regret for me, all Permanent Secretaries and HOCS that the NICS pay offer is below what staff and unions expect.

The Northern Ireland public sector is facing a highly constrained financial situation meaning there is no possibility of increasing the pay offer. I know that it has been frustrating that our staff are still waiting for their 2022 pay award due in August of last year. Therefore, I have decided to implement the pay award to ensure you receive your pay award as soon as possible without any further delay.

My colleagues in People and Organisational Development are liaising with HR Connect to make payment of the 2022 pay award, including any backdated pay. It is planned that this will be paid in July.

Pay award

The pay award will apply from 1 August 2022. The key elements of the award are:

- (a) all eligible satisfactory performers (based on the reporting year 1 April 2021 to 31 March 2022) to receive one step progression, subject to band maximum, with effect from 1 August 2022;
- (b) all points on civil service Industrial 1 and analogous pay scales to be revalorised and combined to one pay point of £21,053;

- (c) all points on civil service pay scales Industrial 2 and Industrial 3, excluding non-NICS retained pay scales, from minimum to maximum to be revalorised by £552; and,
- (d) any staff receiving less than a £552 consolidated increase, to receive a non-consolidated, non-pensionable payment up to a maximum of £552, pro-rated for part-time working (for example, those staff in receipt of a salary in excess of the maximum, those on non-NICS pay scales and those on a marked time salary).

Dfl Roads Productivity Bonus Scheme

Discussions with Unite and GMB had been continuing on the Dfl Roads Productivity Bonus Scheme. Dfl provided details on this to those staff on the Productivity Bonus Scheme: in summary, the key elements of the further offer were: not to recover overpaid PU Bonus up to the Industrial 2/AO maximum cap; to amend the PU Scheme so that the threshold could be maintained at 12.5; to undertake a time-tabled review of the PU Bonus Scheme. The Industrial Unions consulted their members and advised NICS on 3 May that their members rejected the terms of that offer. Because the offer was rejected, this means that for those staff who currently receive the Dfl Roads Productivity Bonus the below will apply:

Industrial 1 Roadworker basic pay increases from £9.90/hour to the new Living Wage Foundation (LWF) rate of £10.90/hour, effective from 1 August 2022. This equates to an increase of £1932 per annum. The uplift to the new Living Wage has taken effect and been paid since 1 April 2023. The Industrial 2/AO pay scale is to be increased by £552. To ensure that Industrial 1 Roadworker basic pay + bonus cannot breach the Industrial 2/AO maximum, the PU Scheme needs to be adjusted, effective from 1 August 2022.

Instead of raising the threshold further to 14.05 PUs/Hr, as would be required under current arrangements, Dfl will amend the PU Scheme such that the threshold will be maintained at 12.5 PUs/Hr and the PU Value revised to £0.40, backdated to 1 August 2022.

This new bonus calculation will allow staff to earn more bonus up to the current cap (18.125 PUs/Hr). This will also mean that anyone with a performance above 12.5 PUs/Hr would continue to earn bonus. The detail of the calculations and how this would work are set out in the examples in the Annex to this bulletin.

No-one performing at the same level as they do currently will earn less bonus under this alteration method than if the threshold were increased, rather, most staff will earn more bonus.

The rejection of the further offer means that recovery of bonus will have to be implemented as part of the pay award. The necessary adjustments will be applied to arrears payments.

This circular will be made available on the Employee Services Portal and online on the NICS pay website: [Civil Service pay | Department of Finance \(finance-ni.gov.uk\)](https://finance-ni.gov.uk).

Frequently asked questions (FAQs) relating to the pay award along with revised pay scales will be published on the website shortly. Your contact point for any specific queries regarding your own pay remains HR Connect.

Neil Gibson
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DEPARTMENT OF FINANCE