

NOTE ON PENSION INCREASES

- **Pensions under the post-2013 Single Public Service Pension Scheme** are updated in line with the Consumer Price Index (CPI), subject to a separate instruction from the Department of Public Expenditure NDP Delivery and Reform.

This means they are adjusted in line with increases in the Consumer Price Index (CPI), as provided for under Article 40 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

- **For those pensions not part of the Single Pension Scheme**, the principle of pay parity in pension increases for pre-existing public service schemes has been agreed up to 30 June 2026 in line with the Public Service Agreement 2024-2026.

Under the policy of pay parity, general round pay increases are passed on to pensions awarded under pre-existing public service schemes (pre-2013 pension schemes). Where applicable, salary increases awarded to serving public servants are passed through to the pensions of those persons who have retired on an equivalent grade and pay scale point.

There is provision in Article 47 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 allowing for the terms of Article 40 to be extended to other public service pension schemes. This approach would remove the link between pensions in payment and salary scales. A move to using this method has not been scheduled.

CURRENT POSITION FOR INCREASES TO DEFENCE FORCES PENSIONS

(a) Pensions under the post-2013 Single Pension Scheme

The benefit of a 4.6% CPI-based increase is now reflected in all Single Scheme military pensions, with effect from **1 January 2024**.

(b) For those pensions not part of the Single Pension Scheme

The benefit of all relevant basic pay increases up to and including **1 October 2023** is now reflected in the vast majority of military pensions of relevant qualifying retirees and their dependents.

Due to the unique, atypical nature and structure of the Defence Forces' pension schemes and payrolls, the implementation of pension increases for military pensions is complex and challenging and is a significant administrative undertaking for the Department and its payroll provider (NSSO).

Once the relevant pay increases awarded to serving personnel under the new Public Service Pay Agreement 2024 to 2026 are implemented for serving personnel the benefit of any relevant increases for military pensions will be implemented, as appropriate, as soon as practicable. This is subject to receiving the relevant sanctions from Department of Public Expenditure, NDP Delivery and Reform.

Currently, it is planned that the benefit of the 1 January 2024 increase will be implemented for DF pensioners by May 2024, and the 1 June 2024 increase as soon as possible thereafter.

Building Momentum - Public Service Agreements 2022 and 2023

The following are the pay increases that were awarded to serving personnel under the various recent Public Service Pay Agreements.

1. '2022' Building Momentum Pay Agreement

Officers	1% in October 2021 and 1% on 1 February 2022.
Enlisted personnel	1% in October 2021 and 1% (or €500 if greater) on 1 February 2022.
All personnel	1% (or €500 if greater) in October 2022.

2. '2023' Building Momentum Extended Agreement

3% on 2 February 2022
2% on 1 March 2023
1.5% (or €750 if greater) on 1 October 2023

The benefit to pensions, plus associated relevant arrears, of all of the above increases under the two Building Momentum Agreements, has been processed and paid to the vast majority of military pensioners.

3. New Public Service Agreement 2024 – 2026

Details of the relevant pay measures included in the new Agreement are set out on Appendix A.

As already mentioned, the principle of pay parity in pension increases for pre-existing public service schemes has been agreed up to 30 June 2026 in line with the Public Service Agreement 2024-2026.

APPENDIX A

Details of the Pay Measures included in the new 2024-2026 Agreement are as follows;

2024

- A general round increase in annualised basic salary for all public servants of 2.25% or €1,125, whichever is greater, on **1 January 2024**.
- A general round increase in annualised basic salary for all public servants of 1% on 1 June 2024.
- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on **1 October 2024**.

2025

- A general round increase in annualised basic salary for all public servants of 2% or €1,000, whichever is greater, on **1 March 2025**.
- A general round increase in annualised basic salary for all public servants of 1% on **1 August 2025**.

2026

- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on **1 February 2026**.
- A general round increase in annualised basic salary for all public servants of 1% on 1 June 2026.

Local Bargaining

A local bargaining instalment, equivalent to 1% of the basic pay cost, on **1 September 2025**.