

INLAND WATERWAYS SECTOR

REMUNERATION AND OTHER CONDITIONS OF SERVICE OF THE CHIEF EXECUTIVE OF WATERWAYS IRELAND

RECORD OF DECISION IP/WI 10

Pursuant to the Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland establishing a North/South Ministerial Council done at Dublin on 8 March 1999, the Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland establishing Implementation Bodies done at Dublin on 8 March 1999 and to the supplementary Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland constituted by the exchange of letters dated 18 June 1999, as amended by the supplementary Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland constituted by the exchange of notes dated 19 November 2002, Ms. Angela Smith, M.P., Parliamentary Under-Secretary of State and Mr. Éamon Ó Cuív, T.D., Minister for Community, Rural and Gaeltacht Affairs have given consent to the decision sought in **Paper IP/WI 10** set out below. The effective date of this decision is 8 March 2005.

Decision Sought in Paper IP/WI 10

Ministers are now invited to approve the determination of WI referred to in paragraph 2.

Background

1. Finance Ministers, North and South, approved the terms of reference for a comprehensive review of the Pay and Progression of the Chief Executives of the North/South Bodies and Tourism Ireland, conducted by the Hay Group (Ireland). The proposals in respect of the CEO of Waterways Ireland (WI) are set out in the attached Annex.
2. Finance Ministers agreed that if WI determined that the remuneration and other conditions of service and the assimilation arrangements set out in the Annex shall apply to the CEO of WI, then such determination shall be deemed to have been approved by Finance Ministers, in accordance with the requirement of the Implementation Bodies Agreement, Annex 2, part 7, paragraph 3.2. WI has now made such a determination with the deemed approval of Finance Ministers.

Proposals: CEO of Waterways Ireland

Salary

1. the salary scale shall be based on that of the Northern Ireland Civil Service Grade 5;
2. the pay scale shall consist of four fixed pay points;
3. the scale at 1 April 2003 shall be £55175, £62350, £69525 and £76700 per annum;
4. the Body shall assimilate the CEO to the new pay scale on the equivalent or next highest point on the new pay scale;
5. the post-holder shall progress through the pay scale by moving up one point annually subject to satisfactory performance;
6. the salary shall be adjusted in future in line with that of the Northern Ireland Civil Service grade on which the new scale is based;
7. as the current post-holder has an existing expectation of progression to a salary maximum higher than that now recommended, the current post-holder shall retain that entitlement on a "personal to holder" basis. Under this arrangement the value of the personal salary maximum shall be reviewed annually and, if appropriate, adjusted in line with any amendments to be made to comparable NICS grades. Subject to satisfactory performance, the post-holder will move to the personal maximum by the award of a single additional salary uplift payable one year after reaching the normal maximum.

Performance Pay

8. In addition, the CEO will be subject to a performance pay regime, common to the CEOs of all the Bodies, and containing the following elements:-
9. The CEO to prepare annually a set of four challenging personal objectives to be achieved in the forthcoming year;
10. Those objectives to be discussed and approved by the sponsor Departments;
11. At the end of the year the CEO to prepare a written self-assessment of performance for submission to the sponsor Departments;
12. Also at the end of the year, the CEO to prepare a written statement on the achievements of Waterways Ireland against the Body's Business Plan, for submission to the sponsor Departments;
13. The sponsor Departments, to decide on the appropriate bonus;
14. All corporate governance requirements, as specified in the financial memorandum for Waterways Ireland, are to be met in full for the year in question, as a prerequisite of the payment of bonus;
15. The maximum bonus normally attainable should be 10% of salary. Amounts in excess of 10% may be paid only in the most exceptional circumstances;
16. No performance bonuses will be payable before April 2005, to allow for an assessment of performance during 2004/2005;
17. The decision at 3.2.5 to be notified to the Departments of Finance, by the sponsor Departments, to facilitate monitoring.

Other Common Arrangements

18. Without prejudice to the position of any of the current CEO post-holders in the Bodies, a car will not be provided.
19. Existing annual leave entitlements will remain unchanged.
20. In relation to other standard public sector benefits - e.g. sick leave, bank holidays, flexi-leave - the public sector practices prevailing in the relevant jurisdiction will be applied.