ISLE OF MAN PUBLIC SERVICES COMMISSION JOINT NEGOTIATING COMMITTEE

Government Unified Scheme (GUS) Transitional Rebate: Continuation of Rebate until 31 March 2020

The Isle of Man Public Services Commission Joint Negotiating Committee has agreed that the GUS Rebate, introduced on 1 April 2012, will continue to be paid to PSC CS Civil Servants, until 31 March 2020.

The terms and rationale on which the rebate operates is as follows:

A monthly rebate will be given to anyone on a full-time equivalent salary at 1 April 2012 (and each 1 April thereafter) of £21,000 or less who is facing a mandatory increase in their pension contribution to ensure they are not disadvantaged. Anyone earning between £21,000 and £25,000 inclusive, at 1 April 2012 (and each 1 April thereafter), will receive a monthly rebate equal to half the amount of the mandatory contribution increase. This compensatory rebate will be given to those who face a mandatory increase to the new Standard contribution rate of 5%.

The purpose of the rebate is to cushion the effect of the increased contributions on lower paid staff for a short period of time.

The key principles that will apply to the rebate are therefore as follows:-

- a) The rebate will be paid monthly at the appropriate rate to all staff in post on 31 March 2012, with a full-time equivalent gross salary of £25,000 per annum or less at 1 April 2012 (and each 1 April thereafter). It will not be payable to new entrants after 31 March 2012.
- b) The salary applicable on 1 April each year will be updated to take account of any subsequent pay awards and an adjustment to the rebate made if necessary, as part of the determination of back pay. The rebate will not be removed or modified during the course of year as a result of incremental progression.
- c) The £21,000 and £25,000 thresholds will remain fixed for the duration of the transitional period.
- d) If, following pay awards or incremental progression, the salary of a member of staff rises above either of the thresholds a mechanism will be in place to ensure they are not financially worse off in comparison with the pre-pay award/increment position. Where applicable, this will involve a continuation of payment of all or a proportion of the rebate.
- e) For part-time staff, entitlement to the rebate will be determined on a pro rata basis. For example, 0.5 fte staff will receive the relevant rebate where their salary is £12,500 per annum or less.
- f) The rebate will be subject to deduction of tax and national insurance and will not be pensionable.

The PSCJNC also agrees that this local agreement is backdated to 1 April 2019.

M. C. Havel
Signed on behalf of Prospect Signed on behalf the Public Services Commission Signed on behalf of Unite For Office of Human Resources Use Only **Instruction for implementation:** An IOM Government All Staff Notice prior to implementation is*/is not* required (*please delete as appropriate) Individuals will be written to. Date Regs updated: Printed Copy..... Date 02/07/2019 Date Previous Regulation amendment reference (if any): Notes/Special Instructions: E.g. Communication to Pay Sections required

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