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**O'Riordan, Anne**

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**From:** Joyce, Liz  
**Subject:** FW: Salary - Deputy Governor

**From:** Graham, Liz  
**Sent:** Friday, January 15, 2016 05:25 PM GMT Standard Time  
**To:** Joyce, Liz  
**Cc:** McDonagh, Derval  
**Subject:** Salary - Deputy Governor

Hi Liz,

Just in relation to the salary level for the Deputy Governor role in advance of Monday.

While there is no specific salary scale for this role/ level, below are the details of the previous appointment at this (or previously similar) level. Also set out is the current salary of the internal and external candidates:

<b>Name:</b>	<b>Role:</b>	<b>Comment:</b>
T. Grimes	Director General	€242,540
		(December 2010)
M. Elderfield	Deputy Governor	€311,351
		(October 2013)
S. Gerlach	Deputy Governor	€230,350
		(November 2015))
C. Roux	Deputy Governor	€310,000
		(current)

**Internal Candidate** [REDACTED]  
**External Candidate:** [REDACTED]

If you need any additional information, please let me know.

Thanks,

Liz

**Liz Graham** *Resourcing Manager*

Human Resources Division

*Central Bank of Ireland*

T +353 (0) 1 224 [REDACTED]

[REDACTED]

**Moloney, Pat**

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**From:** Lane Philip  
**Sent:** 17 January 2016 20:42  
**To:** Joyce Liz  
**Subject:** salary for deputy governor

Liz

Can you let me know your thinking on the salary level?

Thanks

Philip

**Moloney, Pat**

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**From:** Lane, Philip  
**Sent:** 17 January 2016 22:37  
**To:** Joyce, Liz  
**Subject:** Re: salary for deputy governor

Thanks

Will be in my office 11-12 tomorrow morning

Philip

Sent from my iPhone

On 17 Jan 2016, at 21:22, Joyce, Liz <[REDACTED]> wrote:

Philip I was planning to discuss with you after the panel discussion tomorrow which I plan to join. I think the answer may be different depending which candidate you opt for. It might be better not to commit to email at this point but happy to drop into your office before interviews for 10 mins tomorrow to share my thoughts if your diary permits. I can do a call this evening if you prefer, Liz

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**From:** Lane, Philip  
**Sent:** Sunday, January 17, 2016 08:41 PM GMT Standard Time  
**To:** Joyce, Liz  
**Subject:** salary for deputy governor

Liz

Can you let me know your thinking on the salary level?

Thanks

Philip

**O’Riordan, Anne**

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**From:** Whoriskey, Neil  
**Sent:** 22 January 2016 13:12  
**To:** Joyce, Liz  
**Subject:** Strictly Confidential: Commission Approval

Liz

This is to confirm that the proposals regarding the appointment of Deputy Governor and remuneration to apply have been approved by the Commission.

I attach the scabbed copies of the letters that have now issued from the Governor to the Ministers for your records.

Regards

Neil



Brendan Howlin Michael Noonan,  
TD, Re Appoint... Re Appointment...



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem

Philip Lane

+353 1 224 6000 +353 1 673 6520

Bosca Oif 339, Straiton Dúibh, Baile Átha Buidé, 2 Faoi

Brendan Howlin TD  
Minister for  
Public Expenditure and Reform  
Government Buildings  
Upper Merrion Street  
Dublin 2

22 January 2016

Dear Minister

I wish to inform you that the Central Bank Commission has approved Ms Sharon Donnery for appointment to the post of Deputy Governor (Central Banking). I have written to the Minister for Finance seeking his consent.

This follows an intensive selection process and open competition. Ms Donnery joined the Central Bank in 1996 as an Economist and currently holds the position of Director – Credit Institutions Supervision.

I wish to advise you that, in approving the appointment of Ms Donnery to the position, the Central Bank Commission also approved a salary of €223,636 to apply to the role. This is in line, not with the most recent holder of the post, but with that of the previous incumbent, with FEMPI 2013 reductions applied.

Yours sincerely



Banc Ceannais na hÉireann  
Central Bank of Ireland  
Eurosystem

Philip Lane

+353 1 224 6001 +353 1 661 6000

Basel 01/039, Staul an tAra, Baile Átha Cliath 2, Éire

Michael Noonan, TD  
Minister for Finance  
Department of Finance  
Upper Merrion Street  
Dublin 2

22 January 2016

Dear Minister

I am writing in connection with the proposed appointment by the Central Bank Commission of Ms Sharon Donnery to the position of Deputy Governor (Central Banking).

This follows an intensive selection process and open competition. Ms Donnery joined the Central Bank in 1996 as an Economist and currently holds the position of Director – Credit Institutions Supervision.

In approving the appointment of Ms Donnery to the position, the Central Bank Commission also approved a salary of €223,636 to apply to the role. This is in line, not with the most recent holder of the post, but with that of the previous incumbent, with FEMPI 2013 reductions applied.

In accordance with Section 23B (1) Central Bank Act 1942 (as amended), I hereby request your formal consent for the appointment of Ms Donnery.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'P. Lane'.

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**O'Riordan, Anne**

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**From:** Graham, Liz  
**Sent:** 25 January 2016 11:26  
**To:** Joyce, Liz  
**Subject:** Deputy Governor Salary - For Information

Hi Liz,

I just wanted to flag something to you in relation to the Deputy Governor salary in case it comes up.

As you know, the salary offered for this role is based on the December 2010 salary for the previous Director General - €242,540. This figure was verified against the approved salary scale for that level (effective 1 March 2010 - attached) and the salary details from Core. As requested from Tony, a breakdown of the calculation for FEMPI 2013 adjustment should be with you later this morning.

The figure of €242,540 does differ from the publicly reported salary costs for the Director General role in the 2010 Annual Report – here, the total salary cost is listed as €249,674. This higher figure reflects the total salary bill for the role in 2010 rather than the actual salary point. As FEMPI only came into effect in March 2010, the higher salary applied for the first two months of the year and therefore, skews the figure reported. It could be misconstrued that the actual salary point was higher than it was however the reference salary of €242,540 (pre FEMPI 2013) is correct.

I'm sure this won't come up but just in case.

Thanks,

Liz



Governor, DG,  
DDG, CEO.pdf

# CENTRAL BANK AND FINANCIAL SERVICES AUTHORITY OF IRELAND

## BUDGET 2010 REDUCTIONS

Negotiating Body (11)		*Base Scale: Non-Contributory				Comment
Grade	Pt	T2016 2.5%- 01/09/2008	Budget 2010 Percentage Reduction	Budget 2010 New Salary	Voluntary 20% reduction:	
Governor (GOV)	1	410,087	20%	328,070		
Patrick Honohan (Personal to holder)		410,087	20%	328,142		262,514
Director General (A010)	1	285,341	15%	242,540		
CEO IFSRA Grade (A1)						
(Contributory Salary from 4 Jan 2010)	1	400,000	15%	340,000		
Matthew Elderfield (Personal to holder)				<b>340,000</b>		<b>Contributory</b>
Deputy Director General (A020)	1	223,648	15%	190,101		

\*Contributory scale (20/19ths) generated by payroll system

Prepared: <u>Kellogg</u>	Date: <u>18/2/10</u>	Certified in order: <u>Shaw</u>
Checked: <u>Edgar</u>	Date: <u>18/2/10</u>	Date: <u>18/2/10</u>
Seen: <u>SO Connolly</u> Admin	Date: <u>18/2/10</u>	
Seen: <u>Mc Mahony</u> Staff Relations	Date: <u>18/2/10</u>	



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**O'Riordan, Anne**

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**From:** McLoughlin, Tony  
**Sent:** 25 January 2016 11:28  
**To:** Joyce, Liz  
**Subject:** RE: Calculation of Salary post FEMPI

**Importance:** High

Liz

See attached a copy of the breakdown of the FEMPI 2013 calculation.

Also see attached the one point salary scale(A010) and the reductions applied as part of FEMPI 2010.

If you need anything further please let me know.

Regards

Tony



FEMPI 2013  
calcs.xlsx



Governor, DG,  
DDG, CEO.pdf

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**From:** Joyce, Liz  
**Sent:** 24 January 2016 14:59  
**To:** McLoughlin, Tony  
**Cc:** Graham, Liz; McDonagh, Derval  
**Subject:** RE: Calculation of Salary post FEMPI

Hi Tony

Could you forward me (a) a copy of the breakdown of the calculations – the appointee has requested sight of it and (b) a copy of the one point salary scale from which the €242k salary originates i.e. the salary scale relating to previous incumbent Tony Grimes (if there are any details regarding the application of the previous FEMPI Jan 2010 cut please also provide).

Many thanks

Liz

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**From:** McLoughlin, Tony  
**Sent:** 19 January 2016 10:01  
**To:** Joyce, Liz <[redacted]>  
**Cc:** Graham, Liz <[redacted]>; McDonagh, Derval <[redacted]>  
**Subject:** RE: Calculation of Salary post FEMPI  
**Importance:** High

Liz

If the FEMPI 2013 pay cut was applied to a salary of €242,540 it would be reduced to €223,636.

Regards

Tony

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**From:** Joyce, Liz  
**Sent:** 18 January 2016 19:27  
**To:** McLoughlin, Tony  
**Cc:** Graham, Liz; McDonagh, Derval  
**Subject:** Calculation of Salary post FEMPI  
**Importance:** High

Hi Tony

I need a calculation of what a salary of €242,540 would be if the FEMPI 2013 pay cut was applied.

This is urgent if you could attend to it first thing in the morning I would appreciate it

thanks Liz

**FEMPI 2013**

**Reduction in pay for those with a salary greater than €65,000**

First 80,000	5.50%
Between 80,000 and 150,000	8.00%
Between 150,000 and 185,000	9.00%
Greater than 185,000	10.00%

Impact of the above on a salary of €242,540.

<b>Amount</b>	<b>% Reduction</b>	<b>Adjustment</b>	
80,000	5.50%	4,400.00	
70,000	8.00%	5,600.00	
35,000	9.00%	3,150.00	
57,540	10.00%	5,754.00	
<u>242,540</u>		<u>18,904.00</u>	<<<< Total Reduction

Salary	242,540
Reduction	<u>18,904</u>
Adjusted Salary	<b>223,636</b>

**CENTRAL BANK AND FINANCIAL SERVICES AUTHORITY OF IRELAND**

**BUDGET 2010 REDUCTIONS**

Negotiating Body (11)		*Base Scale: Non-Contributory			
Grade	Pt	T2016 2.5%- 01/09/2008	Budget 2010 Percentage Reduction	Budget 2010 New Salary	Comment
<b>Governor (GOV)</b>	1	410,087	20%	328,070	Voluntary 20% reduction:
Patrick Honohan (Personal to holder)		410,087	20%	328,142	262,514
<b>Director General (A010)</b>	1	285,341	15%	242,540	
<b>CEO IFSRA Grade (A1)</b>					
(Contributory Salary from 4 Jan 2010)	1	400,000	15%	340,000	
Matthew Elderfield (Personal to holder)				340,000	Contributory
<b>Deputy Director General (A020)</b>	1	223,648	15%	190,101	

\*Contributory scale (20/19ths) generated by payroll system

Prepared: K. J. O'Connell Date: 18/2/10 Certified in order: [Signature]  
 Checked: [Signature] Date: 18/2/10 Date: 18/2/10  
 Seen: [Signature] Admin Date: 18/2/10  
 Seen: [Signature] Staff Relations

**O'Riordan, Anne**

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**From:** McLoughlin, Tony  
**Sent:** 25 January 2016 13:15  
**To:** Joyce, Liz  
**Subject:** RE: Calculation of Salary post FEMPI  
  
**Importance:** High

Liz

Please see attached, however this is not a signed off version and as far as I can ascertain there is no such version.

Regards



Tony

---

**From:** Joyce, Liz  
**Sent:** 25 January 2016 12:07  
**To:** McLoughlin, Tony  
**Subject:** RE: Calculation of Salary post FEMPI

Thanks Tony

I want to share the details of the one point salary scale but I don't necessarily want to show the other salaries on it. Is it possible to get a document with just the relevant salary on it?

Thanks

Liz

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**From:** McLoughlin, Tony  
**Sent:** 25 January 2016 11:28  
**To:** Joyce, Liz  
**Subject:** RE: Calculation of Salary post FEMPI  
**Importance:** High

Liz

See attached a copy of the breakdown of the FEMPI 2013 calculation.

Also see attached the one point salary scale(A010) and the reductions applied as part of FEMPI 2010.

If you need anything further please let me know.

Regards

Tony

# CENTRAL BANK AND FINANCIAL SERVICES AUTHORITY OF IRELAND

## TOWARDS 2016- 2.5%- 1 September 2008

Negotiating Body (11)

Base Scale: Non-Contributory\*

A1	Pt	T2016 2.5%- 01/03/2008	T2016 2.5% 01/09/2008	Budget 2010 (15% Reduction) New Salary
<b>Euro</b>				
Director General (A010)	1	278,381	285,341	242,540

\*Contributory scale (20/19ths) generated by payroll system

Prepared: \_\_\_\_\_ Date: \_\_\_\_\_ Certified in order: \_\_\_\_\_

Checked: \_\_\_\_\_ Date: \_\_\_\_\_ Date: \_\_\_\_\_

Seen: \_\_\_\_\_ Admin Date: \_\_\_\_\_

Seen: \_\_\_\_\_ Staff Relations Date: \_\_\_\_\_

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O'Riordan, Anne

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Subject: FW: Deputy Governor - Update

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**From:** Graham, Liz  
**Sent:** 26 January 2016 16:36  
**To:** Joyce, Liz  
**Subject:** Deputy Governor - Update

Hi Liz,

Firstly, apologies again for this error in the salary calculation Liz. It is something that I should have picked up and appreciate the difficult position this now creates, particularly in terms of communication. If there is any support I can provide on this, please let me know.

The contributory salary level has now been confirmed and the revised figure is €235,125 (rounded to nearest euro). This has been verified by the Payroll Team Lead. I have amended the contract draft (attached) based on this figure. If there is anything else you require, please let me know.

**Salary Calculation – provided by Payroll:**

**Contributory Salary pre FEMPI 2013 reduction - €255,305.20**

Reduction under FEMPI 2013 calculation as follows:

80,000 * 5.5%	=	4,400
70,000 * 8%	=	5,600
35,000 * 9%	=	3,150
70,305.20 * 10%	=	7,030.53
		-----
<b>Total Reduction</b>	=	<b>20,180.53</b>

**Contributory Salary post FEMPI 2013 reduction - €235,124.73**

Thanks,

Liz



DG Draft 4  
CLEAN.doc

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O'Riordan, Anne

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**From:** O'Riordan, Anne  
**Sent:** 27 January 2016 10:18  
**To:** O'Riordan, Anne  
**Subject:** FW: Confidential - Deputy Governor - Central Banking - Clarification

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**From:** Joyce, Liz  
**Sent:** 26 January 2016 20:08  
**To:** Lane, Philip  
**Cc:** Whoriskey, Neil  
**Subject:** Confidential - Deputy Governor - Central Banking - Clarification

Philip,

It emerged today that the salary figure I had provided was incorrect. It was based on a non-contributory one point pay scale as the incumbent (prior to the last Deputy Governor who had a personal to holder salary) was with the Bank prior to the establishment of contributory pay-scales when the PRSI rate changed (increased) and Bank staff were required to make a contribution (6.5%) to the pension scheme.

As a result the salary figure had to be recalculated on a 20/19<sup>th</sup>s basis, leading to a post FEMPI 2013 salary of €235,125 as distinct from the figure originally provided which was €223,636.

I have highlighted this to Neil as we will need to advise (a) the Budget and Remuneration Committee and (b) the Commission (this could potentially be done at the meeting on Thursday). Once we have notified BRC and Commission we will need to send clarification letters to the relevant Ministers.

I attach for your information a password protected (sent by text) copy of the draft letter of appointment which I shared with the appointee prior to clarifying and updating the salary. The appointee had identified the potential discrepancy between non-contributory and contributory scales and upon checking it was verified. My apologies this was not picked up earlier either by my team or myself.

Liz



DG Draft  
26.1.16.doc



Moloney, Pat

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**From:** Lane, Philip  
**Sent:** 26 January 2016 20:10  
**To:** Joyce, Liz  
**Cc:** Whoriskey, Neil  
**Subject:** Re: Confidential - Deputy Governor - Central Banking - Clarification

Ok - it can be sorted tomorrow

Philip

Sent from my iPhone

On 26 Jan 2016, at 20:07, Joyce, Liz <[REDACTED]> wrote:

Philip,

It emerged today that the salary figure I had provided was incorrect. It was based on a non-contributory one point pay scale as the incumbent (prior to the last Deputy Governor who had a personal to holder salary) was with the Bank prior to the establishment of contributory pay-scales when the PRSI rate changed (increased) and Bank staff were required to make a contribution (6.5%) to the pension scheme.

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Liz

<DG Draft 26.1.16.doc>

Joyce, Liz

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**From:** Joyce, Liz  
**Sent:** 26 January 2016 21:16  
**To:** Lane, Philip  
**Subject:** RE: Confidential - Deputy Governor - Central Banking - Clarification

I'll have it checked out Philip, Liz

**From:** Lane, Philip  
**Sent:** 26 January 2016 21:04  
**To:** Joyce, Liz  
**Subject:** Re: Confidential - Deputy Governor - Central Banking - Clarification

Issue prompts me to see if you can check whether Patrick's salary based on pre1995 PRSI or the new PRSI regime

Philip

at from my iPhone

On 26 Jan 2016, at 20:21, Joyce, Liz <[REDACTED]> wrote:

Thanks

---

**From:** Lane, Philip  
**Sent:** 26 January 2016 20:10  
**To:** Joyce, Liz  
**Cc:** Whoriskey, Neil  
**Subject:** Re: Confidential - Deputy Governor - Central Banking - Clarification

Ok - it can be sorted tomorrow

Philip

Sent from my iPhone

On 26 Jan 2016, at 20:07, Joyce, Liz <[REDACTED]> wrote:

Philip,

It emerged today that the salary figure I had provided was incorrect. It was based on a non-contributory one point pay scale as the incumbent (prior to the last Deputy Governor who had a personal to holder salary) was with the Bank prior to the establishment of contributory pay-scales when the PRSI rate changed (increased) and Bank staff were required to make a contribution (6.5%) to the pension scheme.

As a result the salary figure had to be recalculated on a 20/19<sup>th</sup>s basis, leading to a post FEMPI 2013 salary of €235,125 as distinct from the figure originally provided which was €223,636.

I have highlighted this to Neil as we will need to advise (a) the Budget and Remuneration Committee and (b) the Commission (this could potentially be done at the meeting on Thursday). Once we have notified BRC and Commission we will need to send clarification letters to the relevant Ministers.

I attach for your information a password protected (sent by text) copy of the draft letter of appointment which I shared with the appointee prior to clarifying and updating the salary. The appointee had identified the potential discrepancy between non-contributory and contributory scales and upon checking it was verified. My apologies this was not picked up earlier either by my team or myself.

Liz

<DG Draft 26.1.16.doc>

**O'Riordan, Anne**

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**From:** Joyce, Liz  
**Sent:** 27 January 2016 12:47  
**To:** Graham, Liz  
**Cc:** McDonagh, Derval; O'Riordan, Anne  
**Subject:** Deputy Governor Salary Urgent

Hi Liz

Another anomaly now with new salary is that it is in excess of last incumbents post FEMPI amount of 230k.

I spoke with Philip and he agrees with me we need to re look at how we arrive at the final number.

He would like to know the history of the development of TG's scale and what differentials were established in the past between the Director General as it was then and the next level down (currently Director but I think it had a different name at that time).

I don't know who in HR has all the historical context but it might be worth a call to Martin Langan to see if he can point you/Derval in the right direction in terms of finding a historical trail and an understanding of what differentials might have been established.

He will speak to Sharon and to members of the Remcom who are in Dame Street this afternoon for other reasons to explain we are taking another look at it, so the sooner we can establish this information the better. We expect to announce the appointment tomorrow.

Can you get back to me first ideally or if I am uncontactable at any stage can you go through Gerry Quinn so that either he or I can get back to Philip as soon as we establish the facts.

Thanks

Liz

Sent from my iPad

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Joyce, Liz

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**From:** Joyce, Liz  
**Sent:** 27 January 2016 12:49  
**To:** Quinn, Gerry  
**Subject:** Fwd: Deputy Governor Salary Urgent

For info Gerry - will be in touch as soon as we have more info - but if things need to be progressed whilst I am in the air - they are clear to contact you, talk later, Liz

Sent from my iPad

Begin forwarded message:

**From:** <[REDACTED]>  
**Date:** 27 January 2016 12:47:20 GMT  
**To:** Elizabeth Graham <[REDACTED]>  
**Cc:** Derval McDonagh <[REDACTED]>, Anne O'Riordan  
[REDACTED]  
**Subject:** Deputy Governor Salary Urgent

Hi Liz

Another anomaly now with new salary is that it is in excess of last incumbents post FEMPI amount of 230k.

I spoke with Philip and he agrees with me we need to re look at how we arrive at the final number.

He would like to know the history of the development of TG's scale and what differentials were established in the past between the Director General as it was then and the next level down (currently Director but I think it had a different name at that time).

I don't know who in HR has all the historical context but it might be worth a call to Martin Langan to see if he can point you/Derval in the right direction in terms of finding a historical trail and an understanding of what differentials might have been established.

He will speak to Sharon and to members of the Remcom who are in Dame Street this afternoon for other reasons to explain we are taking another look at it, so the sooner we can establish this information the better. We expect to announce the appointment tomorrow.

Can you get back to me first ideally or if I am uncontactable at any stage can you go through Gerry Quinn so that either he or I can get back to Philip as soon as we establish the facts.

Thanks

Liz

Sent from my iPad

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O'Riordan, Anne

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**Subject:** FW: Strictly Confidential - draft letters

**From:** Graham, Liz  
**Sent:** 27 January 2016 14:08  
**To:** Joyce, Liz  
**Subject:** RE: Strictly Confidential - draft letters

Hi Liz,

I had queried this with Payroll myself yesterday and they confirmed that given the pay adjustments were applied on a phased basis (i.e. x% on the first 50k and so on), the calculation of the pay cut is based on the (higher) contributory figure of €255,305 rather than just as a 20/19<sup>th</sup> calculation of the salary communicated. This creates the differential of a few hundred euro.

I will ask Tony to confirm the rationale in writing.

Thanks,

Liz

**From:** Joyce, Liz  
**Sent:** 27 January 2016 13:02  
**To:** Graham, Liz  
**Subject:** Fwd: Strictly Confidential - draft letters

This may no longer be relevant Liz but we need to understand why SD is coming up with a different number - not as urgent as earlier query regards Liz

Sent from my iPad

Begin forwarded message:

**From:** "Whoriskey, Neil" <[REDACTED]>  
**Date:** 27 January 2016 12:35:44 GMT  
**To:** "Joyce, Liz" <[REDACTED]>  
**Subject:** RE: Strictly Confidential - draft letters

Liz

Can you just get someone to check this before we commit anything further to writing – the nominee has told me that they understand their annual salary (on the contributory basis) to be €235,406 rather than €235,125 as per your email last night.

Neil

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**From:** Whoriskey, Neil  
**Sent:** 27 January 2016 11:06  
**To:** Joyce, Liz  
**Subject:** RE: Strictly Confidential - draft letters

Liz

Something else to note. The 2014 annual report sets out the remuneration of Stefan Gerlach as €230,350 (the 2015 accounts will report remuneration of €202,738, though that is up to a point in late November). Any media interest in remuneration applying to the appointee is likely to reference the salary applying to that which applied to the predecessor. One to consider with Comms in terms of how to respond or prepare for that.

Neil

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**From:** Whoriskey, Neil  
**Sent:** 27 January 2016 10:55  
**To:** Joyce, Liz  
**Subject:** Strictly Confidential - draft letters

I spoke with Eoin Dorgan in the Department of Finance. He agreed that the Governor writes to the Minister clarifying the issue.

I attach draft letter(s) that might issue to both Ministers.

Neil

<< File: Letter M Noonan 270116.docx >> << File: Letter B Howlin 270116.docx >>

**O’Riordan, Anne**

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**From:** Graham, Liz  
**Sent:** 27 January 2016 17:33  
**To:** Joyce, Liz  
**Cc:** McDonagh, Derval; O’Riordan, Anne  
**Subject:** Deputy Governor - Salary Background

Hi Liz,

Just to follow up on the background to the Director general scale and the associated relativities.

**Background to Director General Scale:**

The Director General scale was previously aligned to that of the Secretary General 1 role in the Department of Finance. The attached Excel documents show that relativity in 2008 and again in 2010. These tables also show how our grading structure was compared to that in the Civil Service (although there was never a direct alignment in terms of salary). There is limited information available on our files unfortunately but certainly, everything I have located supports this alignment.

The Director General scale has essentially been inactive since the retirement of the final incumbent at end-2010 and it appears that the scale was not maintained to reflect/ consider any pay developments in the wider public service after that time. From my research, it appears that the Secretary General role in Finance was filled at salary levels of approximately €200,000 in line with the pay cap since then however I have requested additional details from DPER which will hopefully provide some additional insight.

In recruiting for the Deputy Governor role in Central Banking in 2011 (in place of the previous Director General), a ‘personal to holder’ salary arrangement was agreed (in excess of the public sector pay cap) and the Director General scale was not referred to. Therefore, any alignment to the role in Finance essentially ceased.

**Relativities:**

Attached is also a table of how senior level salaries have aligned with each other (since 2008). While traditionally, the differential between the Director General and Governor roles was substantial (-40%), this differential reduced significantly (to about -8%) on foot of the voluntary reductions at the Governor level. The salary the most recent Deputy Governor, Central Banking was approximately 10.5% less than the Governor. Just to note that the previous Deputy Governor, Central Banking was not a member of the pension scheme however as they were not ‘non-contributory’ in the truest sense of the word, I have converted their salary to a non-contributory figure in the attached comparison document.

**Attached:**

**1. Civil Service Relativities – 2008 & 2010:**



Civil Service  
Relativity - Sep...



Civil Service  
Relativity - Mar...

**2. Internal Differentials – Senior Salaries 2008-date: these are based on non-contributory rates of pay.**



**Representative Rates of Pay as at 1 September 2008 (end of Phase 1 of T2016)**

BANK GRADE	CENTRAL BANK					CIVIL SERVICE				
	TITLE	DATE	MIN. POINT	MAX. POINT	NO OF POINTS	TITLE	DATE	MIN. POINT	MAX. POINT	NO OF POINTS
A1	Director General	1-Sep-08	285,341		1	Secretary General Level 1 (Finance)	1-Sep-08	285,341		1
A2	Deputy Director General	1-Sep-08	223,648		1	Secretary General (Standard Scale)	1-Sep-08	221,929		1
A3	Assistant Director General	1-Sep-08	172,512	184,824	5	Deputy Secretary	1-Sep-08	177,547		1
A4	Head of Function	1-Sep-08	133,137	146,930	5	Assistant Secretary	1-Sep-08	131,748	150,712	4
A6	Deputy Head of Function	1-Sep-08	113,480		5	Principal (Higher)	1-Sep-08	92,730	114,366	7
A7	Bank Professional 1	1-Sep-08	83,240	106,095	5	Assistant Principal (Higher)	1-Sep-08	72,681	90,884	8
A8	Bank Professional 2	1-Sep-08	72,208	91,259	5	Assistant Principal (Standard)	1-Sep-08	66,179	82,520	8
A10	Bank Professional 3	1-Sep-08	48,985	67,063	7	Higher Executive Officer (Higher)	1-Sep-08	46,558	61,082	9
A11	Bank Executive	1-Sep-08	27,142	53,690	13	Executive Officer (Higher)	1-Sep-08	30,566	50,410	14
A13	Bank Officer	1-Sep-08	22,765	38,925	10	Clerical Officer (Higher)	1-Sep-08	24,255	38,397	14

**Notes:**

- Increases under the National Partnership Agreements for the Bank's Senior Management and Management grades are applied in line with the Civil Service Pay Cycle
- In the case of the Bank's Clerical, Administrative and Professional Staff, up to Bank Professional 1, the Bank's pay cycle is 5 months ahead of the Civil Service grades.
- For comparative purposes, all grades have had Phase 4 of T2016 (2.5%) applied to their rate.
- Non-contributory rates are used
- For grades EO to Principal in the Civil Service, the maximum point includes two long service increments.

Staff Relations  
Human Resources & Planning  
21-May-08

**Representative Rates of Pay as at 1 March 2010**

CENTRAL BANK OF IRELAND:							CIVIL SERVICE:				
BANK GRADE	TITLE	DATE	MIN. POINT	MAX. POINT	NO OF POINTS		TITLE	DATE	MIN. POINT	MAX. POINT	NO OF POINTS
A1	Director General	1-Mar-10	242,540	n/a	1		Secretary General Level 1 (Finance)	1-Mar-10	242,540	n/a	1
	Hd of Financial Regulation	1-Mar-10	340,000	n/a	1						
A2	Deputy Director General	1-Mar-10	190,101	n/a	1		Secretary General (Standard Scale)	1-Mar-10	188,640	n/a	1
A3	Assistant Director General	1-Mar-10	163,196	174,844	5		Deputy Secretary	1-Mar-10	168,000	n/a	1
	Senior Advisor	1-Mar-10	150,956	161,730	5						
A4	Head of Function	1-Mar-10	129,170	142,552	5		Assistant Secretary	1-Mar-10	127,796	146,191	4
A6	Deputy Head of Function	1-Mar-10	110,098	122,200	5		Principal (Higher)	1-Mar-10	85,957	105,429	7
A7	Bank Professional 1	1-Mar-10	78,219	98,789	5		Assitant Principal (Higher)	1-Mar-10	67,913	84,296	8
A8	Bank Professional 2	1-Mar-10	68,290	85,346	5		Assistant Principal (Standard)	1-Mar-10	61,966	76,768	8
A10	Bank Professional 3	1-Mar-10	46,887	63,609	7		Higher Executive Officer (Higher)	1-Mar-10	46,426	57,251	9
A11	Bank Executive	1-Mar-10	26,633	51,239	13		Executive Officer (Higher)	1-Mar-10	29,024	47,379	14
A13	Bank Officer	1-Mar-10	22,475	37,581	10		Clerical Officer (Higher)	1-Mar-10	23,042	36,267	14

**Notes:**

Based on Non-Contributory rates

Reflective of pay adjustments announced in Budget in Dec 2009

For grades EO to Principal in the Civil Service, the maximum point includes two long service increments.

	2008:	2010	2013 (current)
Governor	410,087	262,514	241,613
Director General (proposed scale for upcoming appointment)	285,341 (43.7% to Gov)	242,540 (8.2% to Gov)	223,636 <sup>1</sup> (8.0% to Gov)
Dep Gov – FR (personal to holder)		323,000 (+23% to Gov)	294,500 (+21.9% to Gov)
Dep Gov – CB (personal to holder)		237,500 <sup>2</sup> (10.5% to Gov)	218,833 (10.4% to Gov)
Director:	184,824	174,844	162,609
Max. Pt:	(54.4% to Dir Gen)	(84.7% on Dep Gov, FR) (35.8% on Dep Gov, CB) (38.7% on Dir Gen)	(81.1% on Dep Gov, FR) (34.6% of Dep Gov, CB) (37.5% on Dir Gen)

\*Based on NON-CONTRIBUTORY scales

<sup>1</sup> This scale was not in use after the retirement of the previous incumbent at end 2010.

<sup>2</sup> From 2011

Joyce, Liz

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**From:** Joyce, Liz  
**Sent:** 27 January 2011 19:44  
**To:** Quinn, Gerry  
**Cc:** Graham, Liz  
**Subject:** Fwd: Deputy Governor - Salary Background  
**Attachments:** Civil Service Relativity - Sept 2008.xls; ATT00001.htm; Civil Service Relativity - Mar 2010.xls; ATT00002.htm; Comparison.docx; ATT00003.htm

Gerry, please find below what Liz has been able to establish with regard to alignment of Director General role in CBI to Civil Service. She is waiting on confirmation from DPER hopefully tomorrow morning as to what the current salary for the Secretary General 1 is as we understand it was considerably reduced in line with public sector pay cap and there is evidence on the net that both Kevin Cardiff and John Moran were paid approximately 200k. We need a bit more info before we brief the Governor and/or BRC members and I have asked Liz to liaise with you tomorrow with regard to the final document - notwithstanding you will be tied up at the Commission in the morning. For info Eadaoin and Michelle are lined up to have a call at 9am on foot of a marked up copy of suggested changes to the current draft contract suggested by Eadaoin, so I am hopeful that by lunchtime we will have a final version jointly agreed by them, I will touch base around lunchtime tomorrow to see where we are at. You may or may not want to keep Philip up to date verbally in the meantime, thanks  
Liz

Sent from my iPad

Begin forwarded message:

**From:** "Graham, Liz" <[redacted]>  
**To:** "Joyce, Liz" <[redacted]>  
**Cc:** "McDonagh, Derval" <[redacted]>, "O'Riordan, Anne" <[redacted]>  
**Subject:** Deputy Governor - Salary Background

Hi Liz,

Just to follow up on the background to the Director general scale and the associated relativities.

**Background to Director General Scale:**

The Director General scale was previously aligned to that of the Secretary General 1 role in the Department of Finance. The attached Excel documents show that relativity in 2008 and again in 2010. These tables also show how our grading structure was compared to that in the Civil Service (although there was never a direct alignment in terms of salary). There is limited information available on our files unfortunately but certainly, everything I have located supports this alignment.

The Director General scale has essentially been inactive since the retirement of the final incumbent at end-2010 and it appears that the scale was not maintained to reflect/ consider any pay developments in the wider public service after that time. From my research, it appears that the Secretary General role in Finance was filled at salary levels of approximately €200,000 in line with the pay cap since then however I have requested additional details from DPER which will hopefully provide some additional insight.

In recruiting for the Deputy Governor role in Central Banking in 2011 (in place of the previous Director General), a 'personal to holder' salary arrangement was agreed (in excess of the public sector pay cap) and the Director General scale was not referred to. Therefore, any alignment to the role in Finance essentially ceased.

**Relativities:**

Attached is also a table of how senior level salaries have aligned with each other (since 2008). While traditionally, the differential between the Director General and Governor roles was substantial (-40%), this differential reduced significantly (to about -8%) on foot of the voluntary reductions at the Governor level. The salary the most recent Deputy Governor, Central Banking was approximately 10.5% less than the Governor. Just to note that the previous Deputy Governor, Central Banking was not a member of the pension scheme however as they were not 'non-contributory' in the truest sense of the word, I have converted their salary to a non-contributory figure in the attached comparison document.

**Attached:**

1. **Civil Service Relativities – 2008 & 2010:**
2. **Internal Differentials – Senior Salaries 2008-date: these are based on non-contributory rates of pay.**

Thanks,

Liz

**From:** Lane, Philip  
**Sent:** 27 January 2016 20:58  
**To:** 'Blanaid Clarke'; 'Alan Ahearne' [REDACTED]  
**Subject:** salary level for deputy governor

Alan, Blanaid

I propose a rule that the salary of the deputy governor be set as a fixed ratio to the salary of the governor. A clean benchmark is that the governor salary is a 15 percent premium above the deputy governor salary: a ratio of 1.15. (That is, the deputy governor salary is 1/1.15 times the salary of the governor).

My salary is euro 254,048.

The formula gives the DG salary at euro 220,911

This ratio is in the range at other central banks.

At the ECB, the ratio of the salary of the president to the vice president is 1.16 (most recent data I saw from 2013: euro 378,240 versus euro 324,216)

At the Fed, the ratio is 1.11 (\$199,700 to \$179,700)

[http://www.federalreserve.gov/faqs/about\\_12591.htm](http://www.federalreserve.gov/faqs/about_12591.htm)

At the Bank of England (pre Carney), the ratio was 1.16 (£305,764 versus £252,497)

<http://www.ft.com/intl/cms/s/0/f20d29dc-6ea5-11df-ad16-00144feabdc0.html>

Philip

**Moloney, Pat**

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**From:** Lane, Philip  
**Sent:** 27 January 2016 21:03  
**To:** Joyce, Liz; Whoriskey, Neill  
**Subject:** Update on salary for deputy governor

I met with BRC members (Alan and Blanaid) this evening: they will meet formally tomorrow to confirm the following:

The decision is that an appropriate rule for the salary of deputy governor is that the ratio of the salary of governor to deputy governor should be 1.15.

This is in range of some comparator central banks (similar to ECB for example).

Liz can check my salary – I looked online to read it is euro 254,048 – which means deputy governor salary is set at euro 220,911.

Philip

Moloney, Pat

---

**From:** Ahearne, Alan [redacted]  
**Sent:** 27 January 2016 22:08  
**To:** Lane, Philip; 'Blanaid Clarke'  
**Subject:** Re: salary level for deputy governor

Philip,

This benchmark and resulting salary level is sensible.

Alan

Sent from my Samsung device

----- Original message -----

**From:** "Lane, Philip" [redacted]  
**Date:** 27/01/2016 20:57 (GMT+00:00)  
**To:** 'Blanaid Clarke' [redacted], "Ahearne, Alan" [redacted]  
**Subject:** salary level for deputy governor

Alan, Blanaid

I propose a rule that the salary of the deputy governor be set as a fixed ratio to the salary of the governor. A clean benchmark is that the governor salary is a 15 percent premium above the deputy governor salary: a ratio of 1.15. (That is, the deputy governor salary is 1/1.15 times the salary of the governor).

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<http://www.ft.com/intl/cms/s/0/f20d29dc-6ea5-11df-ad16-00144feabdc0.html>

Philip



Joyce, Liz

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 07:09  
**To:** Graham, Liz; McDonagh, Derval  
**Cc:** Quinn, Gerry  
**Subject:** Fwd: Update on salary for deputy governor

Liz/Derval

Please see below for update from Philip.

Liz can you confirm calculation of salary based on BRC decision due to be confirmed today? Also can you coordinate finalisation of the contract? As all key players will be at Commission meeting from 9.30 am until lunchtime suggest Derval reviews final version of both salary and contract and liaises with the BRC via Neil as previously in relation to the Governor's contract. I will let you know if Philip suggests we send your analysis mentioned below to BRC.

I forgot to check but will email Philip to check if he is confirming the decision of the BRC to Sharon.

Thanks

Liz

Sent from my iPad

Begin forwarded message:

**From:** [REDACTED]  
**Date:** 28 January 2016 06:59:47 GMT  
**To:** "Lane, Philip" <[REDACTED]>  
**Cc:** Neil Whoriskey [REDACTED]  
**Subject:** Re: Update on salary for deputy governor

Thanks Philip - we can finalise the contract on that basis once decision is confirmed to Neil tomorrow.

I am in UK with just iPad so can't easily access my files for the exact amount of your salary - I can ask Liz Graham to check and confirm the exact calculation for Deputy Governor based on the decision of the BRC.

Liz had collated some historical data on the relationship between the Director General salary scale as it was and that of Secretary General 1 in the Civil Service yesterday as well as differential between that salary and that of Governor and Directors. She is awaiting a response from DPER in relation to the current Secretary General 1 salary to complete her analysis. Would you like us to forward that information to Neil for BRC members today once available?

Sharon suggested Eadaoin review contract in light of Central Bank Acts, which Eadaoin has done and as she has made some suggested changes, she has a call with our external employment

law advisers Byrne Wallace at 9 am this morning to align the changes and produce the final draft. We will forward a copy of final version once available to you and to Sharon. Eadaoin is advising that the statement of terms and conditions of fixed term appointment/contract should be countersigned by a Non Exec member of the Commission. This was not practise in the past for a Deputy Governor position but makes sense so once the advice is confirmed and the contract wording is finalised, we will contact Alan Ahearne as Chair of the BRC via Neil, for instructions on who will sign on behalf of the Commission.

Liz

Sent from my iPad

On 27 Jan 2016, at 21:02, Lane, Philip <[REDACTED]> wrote:

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Philip

Moloney, Pat

---

**From:** Lane, Philip  
**Sent:** 28 January 2016 07:42  
**To:** Joyce, Liz  
**Subject:** Re: Update on salary for deputy governor

Good for BRC to also to have the historical data on salary relativities

Thanks

Philip

Sent from my iPhone

On 28 Jan 2016, at 07:11, Joyce, Liz <[REDACTED]> wrote:

Philip, you might just confirm if you will be communicating the BRC decision to Sharon and let me know when she has been informed, thanks, Liz

Sent from my iPad

Begin forwarded message:

**From:** <[REDACTED]>  
**Date:** 28 January 2016 06:59:47 GMT  
**To:** "Lane, Philip" <[REDACTED]>  
**Cc:** Neil Whoriskey <[REDACTED]>  
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but makes sense so once the advice is confirmed and the contract wording is finalised, we will contact Alan Ahearne as Chair of the BRC via Neil, for instructions on who will sign on behalf of the Commission.

Liz

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Philip

Moloney, Pat

---

**From:** Blanaid Clarke [REDACTED]  
**Sent:** 28 January 2016 08:14  
**To:** Ahearne, Alan; Lane, Philip  
**Subject:** RE: salary level for deputy governor

I agree.  
 Blanaid

---

**From:** Ahearne, Alan [mailto:[REDACTED]]  
**Sent:** 27 January 2016 22:08  
**To:** Lane, Philip; Blanaid Clarke  
**Subject:** Re: salary level for deputy governor

Philip,

This benchmark and resulting salary level is sensible.

Alan

Sent from my Samsung device

----- Original message -----

**From:** "Lane, Philip" <[REDACTED]>  
**Date:** 27/01/2016 20:57 (GMT+00:00)  
**To:** 'Blanaid Clarke' [REDACTED] "Ahearne, Alan" [REDACTED]  
**Subject:** salary level for deputy governor

Alan, Blanaid

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<http://www.ft.com/intl/cms/s/0/f20d29dc-6ea5-11df-ad16-00144feabdc0.html>

Philip

Moloney, Pat

---

**From:** Whoriskey, Neil  
**Sent:** 28 January 2016 08:54  
**To:** Joyce, Liz; Lane, Philip  
**Subject:** RE: Update on salary for deputy governor

I discussed the approach with the BRC members.

I am drafting a short note (Liz, I will forward it also to Liz Graham and ask her to insert the correct salary number). This can form the basis of the formal BRC decision/recommendation to the Commission that is required. We can then convene a meeting of the BRC at the Commission break this morning (11.15) and then bring that recommendation to the full Commission following the break and get their formal approval.

Neil

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 07:00  
**To:** Lane, Philip  
**Cc:** Whoriskey, Neil  
**Subject:** Re: Update on salary for deputy governor

Thanks Philip - we can finalise the contract on that basis once decision is confirmed to Neil tomorrow.

I am in UK with just iPad so can't easily access my files for the exact amount of your salary - I can ask Liz Graham to check and confirm the exact calculation for Deputy Governor based on the decision of the BRC.

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Liz

Sent from my iPad

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Philip



Joyce, Liz

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 09:03  
**To:** Graham, Liz  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** Fw: Update on salary for deputy governor

Hi Liz Neil has advised BRC will meet at 11.15 during Commission break and Philip has said he would like historical data on benchmarks and differentials so can you pull together what you have and send to Neil to provide to Governor and BRC by 11. Rita might want to print off copies he can share as Neil will be at Commission meeting, many thanks Liz

**From:** Lane, Philip  
**Sent:** Thursday, January 28, 2016 07:42 AM GMT Standard Time  
**To:** Joyce, Liz  
**Subject:** Re: Update on salary for deputy governor

Good for BRC to also to have the historical data on salary relativities

Thanks

Philip

Sent from my iPhone

On 28 Jan 2016, at 07:11, Joyce, Liz <[REDACTED]> wrote:

Philip, you might just confirm if you will be communicating the BRC decision to Sharon and let me know when she has been informed, thanks, Liz

Sent from my iPad

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Philip

Joyce, Liz

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 11:15  
**To:** Graham, Liz  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** Re: Update on salary for deputy governor

Makes sense thanks

---

**From:** Graham, Liz  
**Sent:** Thursday, January 28, 2016 11:06 AM GMT Standard Time  
**To:** Joyce, Liz  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** RE: Update on salary for deputy governor

Hi Liz,

It to note that I converted the salary levels in the table to **contributory** to avoid any confusion (given the proposed salary referred to by Philip was the contributory rate). The version last night was based on non-contributory rates.

Thanks,

Liz

---

**From:** Graham, Liz  
**Sent:** 28 January 2016 11:04  
**To:** Joyce, Liz; Whoriskey, Neil; Lane, Phillip  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** RE: Update on salary for deputy governor

Dear Neil,

Attached is the background information on the relativities between senior level salaries and the previous Director General level salary.

I have also included the proposed salary for the new appointee in the Commission document (the exact wording of this may have changed in response to Liz's comments below).

I am contactable on [redacted], you would like to discuss.

Kind Regards,

Liz

**Liz Graham** *Resourcing Manager*  
Human Resources Division  
Central Bank of Ireland  
T +353 (0) 1 224 [redacted]  
[redacted]

Moloney, Pat

---

**From:** Lane, Philip  
**Sent:** 28 January 2016 11:27  
**To:** Graham, Liz; Joyce, Liz; Whoriskey, Neil  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** RE: Update on salary for deputy governor

Thanks

This is helpful.

Philip

---

**From:** Graham, Liz  
**Sent:** 28 January 2016 11:04  
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Kind Regards,

Liz


**Liz Graham** *Resourcing Manager*

Human Resources Division

Central Bank of Ireland

T +353 (0) 1 224 [REDACTED]  
[REDACTED]

[www.centralbank.ie](http://www.centralbank.ie)

 please consider the environment before printing this email  
Smaoinigh ar an timpeallacht sula ndéanann tú an ríomhphost seo a phriontáil

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**From:** Joyce, Liz  
**Sent:** 28 January 2016 10:01  
**To:** Whoriskey, Neil; Lane, Philip; Graham, Liz  
**Subject:** Re: Update on salary for deputy governor

Neil paper as worded suggests HR took decision to recalculate salary - this is on foot of request from BRC and probably needs to be clearer thanks Liz

---

**From:** Whoriskey, Neil  
**Sent:** Thursday, January 28, 2016 09:22 AM GMT Standard Time  
**To:** Lane, Philip; Joyce, Liz; Graham, Liz  
**Subject:** FW: Update on salary for deputy governor

All

Attached is a draft paper that can form the basis of the BRC and Commission decisions this morning.

Liz (Graham) – please insert the correct salary number on this paper and return to me before 11 a.m. Please also include any historical data (as per Liz Joyce email below) that we can use as supplementary info/include as an appendix to this.

Philip / Liz (Joyce) – please let me know if you have any comments on this draft.

Neil

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 08:58  
**To:** Whoriskey, Neil  
**Subject:** Re: Update on salary for deputy governor

Thanks Neil Philip has confirmed he would like historical data so I will ask Liz Graham to provide to you for Philip and BRC by 11am?

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**From:** Whoriskey, Neil  
**Sent:** Thursday, January 28, 2016 08:53 AM GMT Standard Time  
**To:** Joyce, Liz; Lane, Philip  
**Subject:** RE: Update on salary for deputy governor

I discussed the approach with the BRC members.

I am drafting a short note (Liz, I will forward it also to Liz Graham and ask her to insert the correct salary number). This can form the basis of the formal BRC decision/recommendation to the Commission that is required. We can then convene a meeting of the BRC at the Commission break this morning (11.15) and then bring that recommendation to the full Commission following the break and get their formal approval.

Neil

---

**From:** Joyce, Liz  
**Sent:** 28 January 2016 07:00  
**To:** Lane, Philip  
**Cc:** Whoriskey, Neil  
**Subject:** Re: Update on salary for deputy governor

Thanks Philip - we can finalise the contract on that basis once decision is confirmed to Neil tomorrow.

I am in UK with just iPad so can't easily access my files for the exact amount of your salary - I can ask Liz Graham to check and confirm the exact calculation for Deputy Governor based on the decision of the BRC.

Liz had collated some historical data on the relationship between the Director General salary scale as it was and that of Secretary General 1 in the Civil Service yesterday as well as differential between that salary and that of Governor and Directors. She is awaiting a response from DPER in relation to the current Secretary

General 1 salary to complete her analysis. Would you like us to forward that information to Neil for BRC members today once available?

Sharon suggested Eadaoin review contract in light of Central Bank Acts, which Eadaoin has done and as she has made some suggested changes, she has a call with our external employment law advisers Byrne Wallace at 9 am this morning to align the changes and produce the final draft. We will forward a copy of final version once available to you and to Sharon. Eadaoin is advising that the statement of terms and conditions of fixed term appointment/contract should be countersigned by a Non Exec member of the Commission. This was not practise in the past for a Deputy Governor position but makes sense so once the advice is confirmed and the contract wording is finalised, we will contact Alan Ahearne as Chair of the BRC via Neil, for instructions on who will sign on behalf of the Commission.

Liz

Sent from my iPad

On 27 Jan 2016, at 21:02, Lane, Philip <[REDACTED]> wrote:

I met with BRC members (Alan and Blanaid) this evening: they will meet formally tomorrow to confirm the following:

The decision is that an appropriate rule for the salary of deputy governor is that the ratio of the salary of governor to deputy governor should be 1.15.

This is in range of some comparator central banks (similar to ECB for example).

Liz can check my salary – I looked online to read it is euro 254,048 – which means deputy governor salary is set at euro 220,911.

Philip

**O'Riordan, Anne**

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**From:** Lane, Philip  
**Sent:** 28 January 2016 11:27  
**To:** Graham, Liz; Joyce, Liz; Whoriskey, Neil  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** RE: Update on salary for deputy governor

Thanks

This is helpful.

Philip

**From:** Graham, Liz  
**Sent:** 28 January 2016 11:04  
**To:** Joyce, Liz; Whoriskey, Neil; Lane, Philip  
**Cc:** McDonagh, Derval; Quinn, Gerry  
**Subject:** RE: Update on salary for deputy governor

Dear Neil,

Attached is the background information on the relativities between senior level salaries and the previous Director General level salary.

I have also included the proposed salary for the new appointee in the Commission document (the exact wording of this may have changed in response to Liz's comments below).

I am contactable on [REDACTED] if you would like to discuss.

Kind Regards,

Liz


**Liz Graham** *Resourcing Manager*

Human Resources Division

*Central Bank of Ireland*

T +353 (0) 1 224 [REDACTED]

[www.centralbank.ie](http://www.centralbank.ie)

 please consider the environment before printing this email  
 Smaoinigh ar an timpeallacht sula ndéanann tú an ríomhphost seo a phriontáil

**From:** Joyce, Liz  
**Sent:** 28 January 2016 10:01  
**To:** Whoriskey, Neil; Lane, Philip; Graham, Liz  
**Subject:** Re: Update on salary for deputy governor

Neil paper as worded suggests HR took decision to recalculate salary - this is on foot of request from BRC and probably needs to be clearer thanks Liz

**From:** Whoriskey, Neil  
**Sent:** Thursday, January 28, 2016 09:22 AM GMT Standard Time  
**To:** Lane, Philip; Joyce, Liz; Graham, Liz  
**Subject:** FW: Update on salary for deputy governor

All

Attached is a draft paper that can form the basis of the BRC and Commission decisions this morning.

Liz (Graham) – please insert the correct salary number on this paper and return to me before 11 a.m. Please also include any historical data (as per Liz Joyce email below) that we can use as supplementary info/include as an appendix to this.

Philip / Liz (Joyce) – please let me know if you have any comments on this draft.

Neil

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**From:** Joyce, Liz  
**Sent:** 28 January 2016 08:58  
**To:** Whoriskey, Neil  
**Subject:** Re: Update on salary for deputy governor

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**Sent:** 28 January 2016 07:00  
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**Cc:** Whoriskey, Neil  
**Subject:** Re: Update on salary for deputy governor

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Sent from my iPad

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Philip

## Background – Salary Relativity:

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### Background to Director General Scale:

The Director General scale was previously aligned to that of the Secretary General Level 1 role in the Department of Finance. This was the only direct alignment to the Civil Service scales in place.

The Director General scale has essentially been inactive since the retirement of the final incumbent at end-2010 and on that basis, the scale has not being maintained to reflect/ consider any pay developments in the wider public service after that time. Our understanding is that the Secretary General role in Finance was reviewed (following application of 2010 pay adjustments) to bring it more in line with the public sector pay cap – we have requested information from the Department of Public Expenditure and Reform to fully understand the more recent pay developments for this role.

In recruiting for the Deputy Governor role in Central Banking in 2011 (in place of the previous Director General), a 'personal to holder' salary arrangement was agreed (in excess of the public sector pay cap) and the Director General scale was not referred to. Therefore, the alignment to the role in Finance essentially ceased.

### Relativities:

The table below sets out how senior level Central Bank salaries have aligned with each other (since 2008). While traditionally, the differential between the Governor and Deputy Governor roles was substantial (more than 40%), this differential reduced significantly (to just over 8%) on foot of the voluntary reductions at the Governor level. The salary of the most recent Deputy Governor, Central Banking was approximately 10.3% less than the Governor.

The table also reflects the proposed salary level for the new appointee to the Deputy Governor role in Central Banking – this salary of €220,911 represents a 15% differential to the current Governor salary.

Please note that the table below is based on the contributory salary scales.

	2008:	2010 Post FEMPI cuts	Current Post July 2013 FEMPI cuts
Governor	431,671	276,331	254,048
Director General	300,359 (43.7% to Gov)	255,305 (8.2% to Gov)	235,125 <sup>1</sup> (8.0% to Gov)
Proposed new Deputy Governor Central Banking salary (personal to holder)	N/A	N/A	220,911 (15.0% to Gov)
Dep Gov – FR (personal to holder)		340,000 (+23.0% to Gov)	310,000 (+22.0% to Gov)
Previous Dep Gov – CB (personal to holder)		250,000 <sup>2</sup> (10.5% to Gov)	230,350 (10.3% to Gov)
Director:	194,551 (54.4% to Dir Gen)	184,844 (38.2% on Dir Gen) (83.9% on Dep Gov, FR) (35.2% on Dep Gov, CB)	170,983 (37.5% on Dir Gen) (29.2% on Proposed Dep Gov) (81.3% on Dep Gov, FR) (34.7% of previous Dep Gov, CB)
Max. Point on 5 point scale:			

<sup>1</sup> This scale was not in use after the retirement of the previous incumbent at end 2010.

<sup>2</sup> From 2011

**CENTRAL BANK OF IRELAND**

**Circulated to Budget & Remuneration  
Committee Members<sup>1</sup>  
on 28 January 2016**

**Paper No. 38 of 2016**

**SECRET**

**FOR DECISION**

**APPOINTMENT OF DEPUTY GOVERNOR (CENTRAL BANKING):  
REMUNERATION (Updated Paper)**

**General Secretariat Division / Human Resources Directorate**

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<sup>1</sup> As the matter concerns the remuneration of a management member, this paper has circulated to the non-executive members of the Committee only.

## **APPOINTMENT OF DEPUTY GOVERNOR (CENTRAL BANKING): REMUNERATION**

### **Introduction**

Following an open competition, a final Selection Panel comprising Governor Lane, Commission members Alan Ahearne and Blanaid Clarke, and external advisor, Eileen Doyle, considered candidates for the vacant position of Deputy Governor (Central Banking).

The candidate the Panel recommended to the Commission for its approval was Ms Sharon Donnery, currently Director Credit Institutions Supervision. The Commission approved the appointment by Written Procedure on 22 January 2016 and the Minister for Finance provided his consent to the appointment on 26 January 2016. The appointment is for a five year term.

### **Remuneration**

Under Section 23 C (4) of Central Bank Act 1942 (as amended), the Deputy Governor “shall receive such remuneration and allowances, and is subject to such conditions of service, as the Commission from time to time determines”. Under its terms of reference, the Budget and Remuneration Committee (in non-executive composition) reviews and makes recommendations to the Commission for the remuneration of management members of the Commission, including Deputy Governor.

Further to Paper No 35 of 2016, the HR Directorate has re-calculated the salary to apply to the role. This re-calculation is based on a ratio of Deputy Governor to Governor of 1.00 to 1.15. This is in the range of some comparator central banks. The salary for the Deputy Governor is therefore proposed as **€220,911 per annum**.

**The Budget and Remuneration Committee is requested to recommend to the Commission the approval of a salary of €xxx to apply to the incoming Deputy Governor (Central Banking).**

**O'Riordan, Anne**

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**Subject:** FW: Letters re Deputy Governor  
**Attachments:** Michael Noonan, TD - clarifying the salary figure for Sharon Donnery.pdf; Brendan Howlin TD - clarifying the salary figure for Sharon Donnery.pdf

**From:** Whoriskey, Neil  
**Sent:** 29 January 2016 14:15  
**To:** Joyce, Liz  
**Cc:** Graham, Liz  
**Subject:** Letters re Deputy Governor

Liz / Liz

Please see attached letters from Governor to Ministers confirming re-calculated salaries.

Neil

Neil Whoriskey  
Secretary  
Central Bank of Ireland

[REDACTED]  
[REDACTED]  
[REDACTED]

[www.centralbank.ie](http://www.centralbank.ie)



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem

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44, Bow Lane, 120, Bank Street, Dublin 2, Ireland

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Michael Noonan, TD  
Minister for Finance  
Department of Finance  
Upper Merrion Street  
Dublin 2

29 January 2016

**Re: Appointment of Deputy Governor (Central Banking)**

Dear Minister

Thank you for your letter dated 26 January 2016 confirming your consent to the appointment of Ms Sharon Donnery to the position of Deputy Governor (Central Banking).

I wish to clarify the salary figure applying to the role. The salary applying to the role has been recalculated. This Commission has agreed to base the salary on a ratio of Deputy Governor to Governor of 1.00 to 1.15. This is in the range of some comparator central banks. The salary for the Deputy Governor is therefore €220,911 per annum.

Yours sincerely

A handwritten signature in black ink, appearing to be 'P. Lane'.



Banc Ceannais na hÉireann  
Central Bank of Ireland  
Eurosystem

Philip Lane

+353 (0)1 774 6001 +353 (0)1 671 6528

Bosra GP 59, Straid an Déimh, Baile Átha Cliath 2, Éire.

Brendan Howlin TD  
Minister for Public Expenditure and Reform  
Government Buildings  
Upper Merrion Street  
Dublin 2

29 January 2016

**Re: Appointment of Deputy Governor (Central Banking)**

Dear Minister

I refer to my letter to you dated 22 January 2016 regarding the appointment of Ms Sharon Donnery to the position of Deputy Governor (Central Banking).

I wish to clarify the salary figure applying to the role. The salary applying to the role has been recalculated. This Commission has agreed to base the salary on a ratio of Deputy Governor to Governor of 1.00 to 1.15. This is in the range of some comparator central banks. The salary for the Deputy Governor is therefore €220,911 per annum.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Philip Lane', written over a horizontal line.