

Pay Progression 1st January 2022- 31st December 2024

Context:

This agreement is between Horse Racing Ireland and Mandate Trade Union. Both parties are committed to continue the co-operation with regard to flexibility and change to support the performance of both organisations and the Industry. Both parties agree to build on improvements achieved in previous agreements and to continue to modernise to ensure efficient and effective use of the resources in both organisations.

Contribution of Employees:

HRI recognises the ongoing commitment and dedication of its employees in a challenging Industry. Horse Racing and Breeding is an Industry that operates outside of traditional working hours and HRI recognises and appreciates the flexibility shown by all employees to ensure the Organisation and the Industry is supported and continues to grow.

Employees throughout the Organisation have worked flexibly and with great agility both during and emerging from the Covid 19 pandemic.

It is recognised since the incorporation of the last agreement 2019-2022 that changes and agreements have been reached in relation to premium rates and weekend working.

Parameters of the Agreement:

This agreement addresses the following areas:

1. Pay
 - a. Pay Progression
 - b. Pay Transparency
2. The Scale
3. Hybrid Working
4. Sustainability
5. Succession Planning and Skill Development
6. Performance Related Pay
7. Efficiency and Change

1. Pay:

Pay Proposal: Pay Progression One

This proposal on pay incorporates the period from 1st **January 2022 to 31st December 2024** and applies to all HRI employees and all employees within the subsidiaries; HRI Racecourses, ITM and Tote.

The proposal on pay will apply in the following way:

<u>Pay Increase</u>	<u>Pay Period</u>	<u>Date to be applied</u>
3.75%	1 st January 2022	To be paid retrospectively once agreed
3%	1 st January 2023	January 2023
3%	1 st January 2024	January 2024

Pay Progression Addressing Lower Income earners:

This second proposal relates to ensuring a provision for lower income earners below €35,000 (pro rata for less than full time hours) in the organisation* and an additional mechanism for pay progression for this category of income earner only within the organisation. This mechanism will be calculated on a pro-rata basis for employees working less than full time hours.

1. Entry level administration positions within the organisation will ordinarily commence at €28,000 rising to €35,000 (pro-rata for less than full time hours) within 36 months of established joining date providing the following milestones are met:
 - a. Knowledge and skill development to agreed terms between line manager and employee based on agreed and established norms within the department.
 - b. Experience and development within role
 - c. Satisfactory performance level including behavioural components agreed with employee and line manager.

A review of existing employees who have income levels in this category will be conducted with a view to implementing the changes once this agreement is in place.

It is important to note that once an employee has progressed to the €35,000 salary (pro rata for less than full time hours), they may in fact have a salary level above €35,000 (pro rata for less than full time hours) based on the additional global increases as per this pay agreement.

*There are a very small number of some roles, based on the nature of the roles, which may not automatically progress along this scale, and this will be managed in consultation with the Trade Union.

2. The Scale

Salary 28,000-35,000	Progression
€28,000 (Starting Salary- No experience)	
+ €2,000	12 months
+ €2,500	24 months
+ €2,500	36 months (Any further salary increase beyond €35,000 would be by way of a new role or expanded level of responsibility)

Pay Progression outside of the above two areas will only occur through promotion to a new role at a level of responsibility above the current role level or expanded responsibility within current role.

3. Hybrid Working

The organisation is currently trialling a Hybrid Working Model which was previously shared in draft with the committee. Employees are being requested to commit 2 working day equivalents in their normal office environment. This will be reviewed in April 2023. Full cooperation is in place and expected with this model. If for any reason, agreement cannot be reached between manager and employee the matter can be appealed to HR.

4. Sustainability

The organisation is embarking on an ambitious agenda in relation to sustainability at a strategic and operational level which may result in changes to ways of working across the organisation. Full details of this program will be discussed and shared in due course and where consultation is required in relation to ways of working this will be conducted transparently across the organisation. Any changes to current terms and conditions of employment will be done through consultation and agreement.

5. Succession Planning

It is recognised that planning for the future across the teams in the organisation is a key priority over the next three years. It is accepted that this will require commitment from all employees in relation to training and development.

6. Performance related pay:

It is agreed that establishing a performance related component to the pay model for the future is something that is supported and encouraged by both the employees and the organisation.

It is agreed that this will be a key piece of work both in preparation and design and it is envisaged that this work will commence in January 2022 with an intention to introduce this as a component of pay going forward with an intended implementation date of 2024. It is agreed that Mandate Trade Union will be included in all discussions relating to Performance Related Pay going forward to support the effective implementation of such system. Line Managers and employees will be trained in the intervening periods in relation to the methodology.

It is understood that the organisation has some work to do both with internal and external stakeholders to achieve this and a commitment has been given to ensure there is transparency and communication in relation to the progress of this work in that regard.

It is acknowledged by the parties to this agreement that the implementation of a performance related pay component may impact some individuals more positively than others and based on performance may lead to a performance management process in some instances. We expect the full co-operation of the union in this regard.

7. Efficiency and Change

Efficiency and change continue to be a key factor for the organisation to achieve its own aims and to satisfy the needs of the industry. It is understood that a more proactive and partnership approach to addressing more efficient ways of working, greater use of technology and consolidation in some areas as the Racing Model changes will become an agreed way of working. Where changes outside or normal

ongoing change are expected these will be achieved through consultation and a partnership approach.

Disputes Resolution:

Should any disputes arise in relation to the application of this agreement both parties are committed to following the internal dispute resolution process as contained in the employee handbook.

Procedural / Collective Agreement:

It is agreed by all parties to commence negotiations in January 2023 with a view to agreeing the terms of a procedural / collective agreement.

Review of this Agreement:

It is not envisaged by either party that pay will be reviewed over the lifetime of this Agreement. Both parties commit to engaging on pay outside of this agreement and on pay matters going forward in December 2024.

Summary:

In summary this proposal represents an 9.75% increase to employees applied in three phases from January 2022 to December 2024. It is intended that the pay awards for 2022 will be paid in the November 2022 pay run subject to agreement.