

## Annual (Holiday) Leave Procedure

Version	Date	Status	Comments
1.0	January 2015	Draft	Creation of annual leave procedure
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1.1	April 2015	Draft	Consultation period of 4 weeks including: JCC, Corporate Bulletin Board, Senior Managers forum
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## 1. Introduction

- 1.1 This procedure details the annual leave, bank and public holidays that employees are entitled to. It gives the entitlements for full time and part time employees. Arrangements for carrying forward annual leave and purchasing leave.

## 2. Scope

- 2.1 This procedure applies to all employees covered by the National Joint Council for Local Government Services except for Chief Officers who are covered by a separate National Joint Council Agreement for Chief Officers of Local Authorities.

## 3. Responsibilities

- 3.1 Each employee has personal responsibility to ensure they do not overtake or undertake their holiday leave in any leave year and also to ensure their holiday entitlement records are maintained accurately. Failure to do so could result in disciplinary action.
- 3.2 Line Managers are generally responsible for ensuring that employees adhere to these procedures. Adherence is generally achieved by ensuring that staff receive appropriate direction and instruction and are monitored to ensure their understanding of and competency of administering the holiday leave procedure.

## 4. Annual Leave Year

- 4.1 The Council's annual leave year runs from 1 April to 31 March. Employees who join or leave the Council part-way through a leave year will be entitled to the appropriate proportionate amount of leave, based on the number of weeks they have been employed in that particular leave year.

## 5. Annual Leave Entitlements

- 5.1 All employees will have their entitlement to annual leave and bank holidays calculated in hours and on a pro-rata basis.
- 5.2 Holiday entitlement is calculated by multiplying the employee's 'standard day' by the number of days they are entitled to, which is based on their length of service (see table below) and based on the number of weeks they are due to work in the relevant holiday year.
- 5.3 A Standard day is 1/5th of the employee's weekly contracted hours.
- 5.4 Annual leave entitlement is allocated as follows;

Length of Service	Number of Days by Leave Type					Total Annual Entitlement
	Standard	Public Holidays *1	Statutory Days *2	Local Days *2	Length of Service Entitlement	
0 - 4 years	22	8	2	1	0	33
5 - 9 years	22	8	2	1	4	37
10+ years	22	8	2	1	7	40

- \*1 The number of public holidays in any holiday year may vary, dependent on when they fall in that year (eg Easter bank holidays). If you wish to check the public holidays within an annual leave year please contact the HR section.
- \*2 The 2 Statutory and 1 Local leave days are allocated over the Christmas and New Year period to allow the majority of the organisation to shut down during this period.

## **6. Requesting Annual Leave**

- 6.1 Requests for annual leave should be made by the employee to their line manager in writing. (The use of the Etarmis system to request and have leave approved is an acceptable method of written approval).
- 6.2 Many sections have minimum staffing levels and operate a first-come-first-served basis for annual leave therefore employees are advised to provide as much notice as possible, when making requests.
- 6.3 For every day of annual leave booked, the actual number of hours that would have been worked on that day should be deducted from the total leave entitlement.
- 6.4 If a bank holiday falls on a non-working day (rest day), no deduction should be made from the total leave entitlement.
- 6.5 If a bank holiday falls on a working day and the employee works on that day, the employee will be paid at the appropriate rate and no hours should be deducted from the total leave entitlement. No day off in lieu should be given, because no holiday entitlement has been used for this day.
- 6.6 A part time employee who normally works every Monday and does not work on bank holidays may find that they have to use up a greater proportion of leave allocation to cover bank holidays. Line managers may use their discretion to allow employees to work on alternative days around the bank holidays to compensate.
- 6.7 It is accepted that there may be occasions where a leave day may not have approval in writing, in advance of the leave being taken eg unplanned emergency leave. In these circumstances the employee must update their records, directly upon their return to the workplace.
- 6.8 Appendix 1 contains some worked examples of calculating annual leave entitlement and the number of hours required to cover periods of annual leave.

## **7. Annual Leave Records**

- 7.1 The Council has an automated system Etarmis which is used to request and record annual leave.

- 7.2 Employees who use Etarmis will be provided with training on how to use the system. If an employee feels they need more training or support they should raise this with their line manager or the HR Department.
- 7.3 It is highly recommended that where employees use the Etarmis system for holiday authorisation that they maintain a separate record as well. This will enable the employee to reconcile their leave against the Etarmis system.
- 7.4 Employees are advised to check their allocated holiday entitlement on Etarmis at the beginning of each holiday year and when adjustments are made during the year, for situations such as change in hours or increase in entitlement due to length of service. The HR Team endeavor to ensure the accuracy of all records and it is also the responsibility of each employee to ensure the entitlement entered on the system is correct. Where an error may occur the employee is solely responsible for any holiday leave taken over and above their entitlement.
- 7.5 Employees must retain their annual leave records for a period of 3 years in case they are needed for further reference. If there is a query these records will be relied upon.

## **8. Annual Leave and Sick Leave**

- 8.1 An employee who is absent from work due to sickness will continue to accrue annual leave in the usual way. For more details in relation to this matter, and for details of how cases of sickness during annual leave will be dealt with, please refer to the Council's Sickness Absence Procedure. A copy can be found on SharePoint.

## **9. Carrying Forward Annual Leave from a Previous Leave Year**

- 9.1 The Council encourages every employee to use their leave entitlement within the designated leave year (1 April - 31 March).
- 9.2 Working time regulations stipulate that an employee must take a minimum of 28 days leave within the leave year (pro rata). Leave includes both Annual and Bank Holiday leave. As an employer the Council has a responsibility to ensure that these regulations are not contravened (either purposefully or inadvertently). Therefore as best practice the Council encourages every employee to use their leave entitlement within the designated leave year (1 April - 31 March).
- 9.3 It is however recognised that there can be situations where there is a genuine need to request a 'carry over' of leave to the following leave year. (A 'genuine need' would not normally include a request to 'carry over' leave as a result of poor planning of holiday leave.)
- 9.4 Any requests to 'carry over' leave entitlement must be agreed in advance by an employee's line manager and/or section head.
- 9.5 The maximum 'carry over' is 37 hours. This figure is pro-rata if an employee works less than a full time working week. In effect the maximum carry over is the equivalent to an employee's contracted weekly hours (regardless of how those hours are worked).

## **10. Holiday Purchase Scheme**

- 10.1.1 It is recognised that some employees may wish to take more than their contractual entitlement in order to manage personal commitments. The Holiday Purchase Scheme enables all employees to request the purchase of additional annual leave, subject to certain conditions, with the cost of any approved additional leave being deducted from salary on a monthly basis over the course of the leave year.
- 10.1.2 The Council wishes to establish flexible working policies which are attractive to staff and enable people to have a proper work/life balance. Any flexible working scheme must take account of the paramount need to maintain the provision of the Council's services.
- 10.1.3 The scheme applies to all employees, full and part time.

### **10.1 Applying to Purchase Annual Leave**

- 10.1.1 Employees wishing to purchase additional annual leave will be required to complete a Holiday Purchase Scheme Request Form (Appendix 3 2), and obtain their line manager's support for the request before submitting the form to their Chief Officer.
- 10.1.2 A separate request must be made for each leave year.
- 10.1.3 The deadline for requests is 10am on the 15 March in any year or where this date falls on a non-working day, the first working day thereafter. Confirmation of the deadline will be published by the HR team each year. Requests to purchase additional annual leave will only be accepted after the deadline where there are special or extenuating circumstances only.
- 10.1.4 The Council reserves the right to refuse an employee's application to purchase additional annual leave. It may be necessary to refuse an employee's request on operation or technical grounds, related to the job and the needs and requirements of the service. If approval is not given, the reasons for the refusal will be given in writing.

### **10.2 Receiving Confirmation of Leave Purchased**

- 10.2.1 Once an employee's request to purchase additional annual leave has been approved they will receive a confirmation e-mail from the HR team.
- 10.2.2 Employees who have requested to purchase additional annual leave and who do not receive a confirmation e-mail within 28 days of the request being submitted should make enquiries with the HR team to identify the status of their request.
- 10.2.3 Once an application has been accepted, the employee may not change his/her mind and if the additional holiday is not taken, there is no additional carry over provision separate to the Council's current policy on holiday carry forward (maximum of 5 days).

### **10.3 Adding the Purchased Leave to the Annual Leave Record**

10.3.1 Where an employee has successfully requested the purchase of additional annual leave, the amount of leave purchased will be added to the individual's annual leave record on Etarmis by the Human Resources Department.

### **10.4 Paying for Purchased Annual Leave**

10.4.1 The cost of the purchased leave will be spread out over the relevant leave year. This will result in a reduction to the employee's monthly salary either for the whole leave year (when the request was processed before the end of the previous leave year) or for part of the leave year (special or extenuating circumstances only).

10.4.2 Amounts deducted from salary will be recalculated if the employee's salary increases or decreases.

10.4.3 The definition of a 'days' leave is equivalent to 1/5th of an employee's weekly contracted hours.

10.4.4 The new monthly salary will be calculated by Salaries and notified to the employee by Human Resources as soon as possible following their receipt of the approved request from the employee's Chief Officer.

10.4.5 The calculation will be arrived at by:

- Dividing the employee's basic annual salary by 261 (calculation which is used to determine a day's pay for any purpose);
- Multiply this figure by the number of annual leave days the employee wishes to buy;
- Divide this figure by the number of months in the leave year to arrive at the amount that will be deducted from the employee's monthly salary;
- Subtracting that figure from the employee's normal monthly salary and applying the new level of monthly pay from the agreed date through to the end of that leave year.

10.4.6 Appendix 1 contains a worked example of a calculation holiday purchase leave.

10.4.7 National Insurance contributions and tax deductions are calculated on the reduced monthly income figure.

10.4.8 The employee and employer are required to pay pension contributions on the notional full pay for the annual leave days purchased.

10.4.9 An employee should note that by completing and submitting the request for the additional leave form that, if approved, this form also constitutes their consent to any applicable salary adjustment.

## **11. Special Leave**

11.1 The Council has a policy for Special paid or unpaid leave. Please refer to the Council's Employment Handbook for details on these.

## Appendix 1

### Worked Examples:

- Holiday Purchase Calculations;
- Annual leave entitlement calculations and number of hours required to cover annual leave requests

### Holiday Purchase Calculation

If an employee's basic monthly pay, excluding non-contractual overtime, is £1500 and they apply to purchase 5 working days additional annual leave, the calculation will be arrived at by:

- Calculating the employee's basic annual salary, which in this case is £18,000;
- Dividing this figure by 261, resulting in a notional daily payment of £68.97;
- Multiply £68.97 by 5, since the employee wishes to buy 5 working days additional annual leave, giving a sum of £344.85;
- Divide this figure by 12 to arrive at the amount that will be deducted from the employee's monthly salary, producing a figure of £28.74; and
- Subtract £28.74 from the employee's 'normal' monthly salary, ie £1500 -
- £28.74, which gives a new monthly salary for the 12 months of the year of
- £1471.26.

### Annual Leave Entitlement Calculations and number of hours required to cover annual leave requests

#### Full-Time Employees

- **Standard working week (Mon - Thurs = 7.5 hours, Fri = 7 hours):**

As the Etarmis system automatically accounts for Bank Holiday Leave for full-time staff (who work a standard working week), no allocation is added to the annual leave entitlement for public holidays, statutory days or local days.

Sarah works full time (37 hours a week), Monday to Friday. Sarah has less than 5 years' service. Sarah's annual leave entitlement is calculated as;  $52/52$  (number of weeks available to work in the holiday year) x 22 days (annual entitlement for that year) x 7.4 hours (standard day i.e. 1/5th of 37) which equates to 162.8 hours.

Sarah's office is closed on bank holidays. Each time Sarah takes a day's leave she deducts it from her entitlement of 162.8 hours (Mon - Thurs = 7.5 hours, Fri = 7 hours). Nothing is booked out for bank holidays as the Etarmis record shows 'Public Holiday - Target Hours Are Zero'.

- **Non-Standard working week**

If staff work full-time hours (37 per week) but have a non-standard working pattern (ie different to the one shown above) then bank holidays are treated in the same way as for part-time employees and must be booked as holidays by the employee if they fall on a normal working day (see below). The annual leave entitlement includes a pro-rata calculation for public holidays, statutory days and local days.

- **Part - Time Employees**

*As the Etarmis system does not deduct Bank Holiday Leave for part-time staff, the time must be booked by the employee using the usual holiday leave booking process for Etarmis. The annual leave entitlement includes a pro-rata calculation for public holidays, statutory days and local days.*

- **Standard working week:**

Jo is contracted to work 28 hours per week. Jo works 7 hours per day on Monday, Tuesday Wednesday and Thursday. Jo has more than 10 years' service. Jo's annual leave entitlement is calculated as;  $52/52$  (number of weeks available to work in the holiday year) x 40 days (annual entitlement for that year) x 5.6 hours (standard day i.e. 1/5th of 28) which equates to 224.0 hours.

Jo's office is closed on bank holidays. Each time Jo takes a day's leave she deducts 7 hours from the total leave entitlement. Each time a bank holiday falls on one of her normal working days, she takes the day off with pay and deducts 7 hours from her total leave entitlement. Each time a bank holiday falls on a non-working day (such as a Friday) no deduction will be made from her total leave entitlement.

- **Non-standard week:**

Paul is contracted to work 18.5 hours per week. Paul works 4 hours on a Wednesday, 7.5 hours on a Thursday and 7 hours on a Friday. Paul has more than 10 years' service. Paul's annual leave entitlement is calculated as;  $52/52$  (number of weeks available to work in the holiday year) x 40 days (annual entitlement for that year) x 3.7 hours (standard day ie 1/5th of 18.5) which equates to 148.0 hours.

Paul's office is closed on bank holidays. Each time Paul takes a day's leave he deducts the appropriate (scheduled) number of hours from his total leave entitlement (ie 4 hours on a Wednesday, 7.5 hours on a Thursday or 7 hours on a Friday). Each time a bank holiday falls on one of his normal working days, he takes the day off with pay and deducts the appropriate (scheduled) number of hours from his total leave entitlement. Each time a bank holiday falls on a non-working day (such as Monday or Tuesday) no deduction will be made from his total leave entitlement.

- **Non-standard week (shift/rota):**

Jeff is contracted to work on a seasonal hours contract in a Tourist information Centre. Over the year 21 weeks are worked at 6 hours per week and 31 weeks are worked at 19.5 hours per week. Hours are worked on any of the 7 days of the week including bank holidays. Jeff has 6 years length of service.

Jeff's annual leave entitlement is calculated as;  $52/52$  (number of weeks available to work in the holiday year) x 37 days (annual entitlement for that year) x 2.81 hours (Total annual hours =  $730.5/52$  weeks/5 days (1/5th)) which equates to 103.97 hours.

Each time he takes a day's leave he deducts the appropriate (scheduled) number of hours from his total leave entitlement. Each time he works a bank holiday he will be paid at the appropriate rate. No hours should be deducted from his total leave entitlement and no day off in lieu should be given (as hours have been allocated in advance

**Appendix 2  
Holiday Purchase Scheme Request Form**

<b>To be completed by the Employee</b>		
Name:		Job Title:
Department:		Section:
Contracted Hours:		Line Manager:
<p>I would like apply to purchase <b>hours</b> of additional annual leave (up to a maximum of 10 days or 74 hours).</p> <ul style="list-style-type: none"> <li>I understand that if I opt to purchase additional annual leave that this will result in a reduction in salary for the relevant leave year.</li> <li>I understand that the decision to allow me to purchase additional annual leave is entirely at the Council's discretion.</li> </ul> <p>Signed: _____ Dated: _____</p>		
<b>Please submit this form to your relevant Chief Officer by 10am, 15 March (in any year).</b>		
<b>To be completed by the line manager</b>		
<p>I support this application.</p> <p>Signature: _____ Date: _____</p>		
<p>Or I do not support this application because</p> <p>Signature: _____ Date: _____</p>		

**To be completed by the Chief Officer**

I approve the above application to purchase \_\_\_\_\_ hour's additional annual leave and confirm that this leave may now be added to this person's annual leave record for the relevant leave year.

Signature:

Date:

Or I have rejected the above application to purchase additional annual leave and my reasons are as follows;

Signature:

Date:

**To be completed by Human Resources**

<b>Action</b>	<b>Date</b>
<b>Chief Officer Approval</b>	
<b>Send Confirmation email to employee</b>	
<b>Send Confirmation email to line manager</b>	
<b>Authorised Salary Deduction form sent to Salaries (copy of this form)</b>	
<b>Leave Card Updated</b>	