

TRAFFORD COUNCIL

Report to: Employment Committee
Date: 7th December 2020
Report for: Decision
Report of: Sara Saleh, Corporate Director of Strategy and Resources

Report Title

Amendment to Annual Leave Policy.

Recommendation(s)

It is recommended that Employment Committee notes the content of this report and approves the revised Annual Leave Policy so that the Annual Leave Banking Scheme can be implemented.

Contact person for access to background papers and further information:

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Relationship to Policy Framework/Corporate Priorities	This proposal aligns with the council's Corporate Priority 'Improving Health & Wellbeing'.
Financial	None.
Legal Implications:	None
Equality/Diversity Implications	None.
Sustainability Implications	None.
Staffing/E-Government/Asset Management Implications	Resource levels will remain the same overall, however the amount of time taken out as leave may vary between years slightly.
Risk Management Implications	None.
Health & Wellbeing Implications	Improved staff health and wellbeing.
Health and Safety Implications	None.

1.0 BACKGROUND

- 1.1 As part of our drive for greater flexibility for our workforce it is proposed that the current provision to carry over annual leave within the Annual Leave Policy is replaced with a more flexible provision to bank annual leave.

2.0 CURRENT PROVISION TO CARRY OVER ANNUAL LEAVE

- 2.1 Whilst there is currently no automatic right to carry over leave which has not been taken in the leave year, managers can authorise the carry-over of up to 36.25 hours of annual leave each leave year (pro rata for part time staff). Requests to carry over more than this requires authorisation by the Corporate Director of Strategy and Resources. There is an expectation that any leave carried over will be used within the first 2 months of the next leave year.

3.0 NEW PROVISION TO BANK ANNUAL LEAVE

- 3.1 Rather than carry over of annual leave which should ideally be used in the first 2 months of the next annual leave year, it has been agreed that employees can request to bank up to 36.25 hours of annual leave each year (pro rata for part time staff). The maximum amount of annual leave an employee will be able to have banked at any one time is 145 hours (pro rata for part time staff). Where requests to bank annual leave do not exceed this amount the employee's manager will authorise such requests.
- 3.2 In exceptional circumstances where the employee has been prohibited from taking annual leave e.g. due maternity leave, long term sick leave or due to exceptional demands placed on a service employees will be able to request to bank in excess of the maximum amounts stated above. Any requests to bank annual leave in excess of these amounts will require the relevant Corporate Director authorisation.
- 3.3 The Annual Leave Policy has been updated to incorporate the necessary changes to reflect the new provision to bank annual leave.

4.0 BENEFITS

- 4.1 The Annual Leave Banking Scheme will provide employees with flexibility to take an extended period of annual leave.
- 4.2 The Annual Leave Banking Scheme will allow employees who have been prevented from taking annual leave greater flexibility as to when the leave can be taken which in turn may alleviate pressures on service delivery.

5.0 IMPLEMENTATION PLAN

- 5.1 The annual leave banking scheme will be launched early December 2020. A new intranet page has been created. This includes guidance on the scheme, how to submit an annual leave banking request and how to authorise such requests. This page also contains a link to the updated Annual Leave Policy.

- 5.2 A new Annual Leave Banking Scheme has been created in iTrent which can be seen in the same area as the normal leave scheme.
- 5.3 Employees can request to bank annual leave using a newly created GMSS form.
- 5.4 Once requests have been approved GMSS will transfer the appropriate amount of annual leave from the employee's Annual Leave Scheme to their Annual Leave Banking Scheme within iTrent.
- 5.5 Employees can request to take leave from their Banked Annual Leave Scheme from the date it has been banked within the leave year and in any subsequent leave years.
- 5.6. Requests to take leave from the Banked Annual Leave Scheme must be approved by managers in the normal way.

6.0 RECOMMENDATIONS

- 6.1 The Annual Leave Banking Scheme will provide employees with flexibility to take an extended period of annual leave. The Annual Leave Banking Scheme will allow employees who have been prevented from taking annual leave greater flexibility as to when the leave can be taken which in turn may alleviate pressures on service delivery. There may be particular demand for it this year, as staff in some services may have found it difficult to take leave.

Employment Committee are recommended to support the new scheme and the updated Annual Leave Policy and the implementation plan.



TRAFFORD COUNCIL

ANNUAL LEAVE POLICY

Author	Human Resources
Date	1 st December 2020
Version	1.2

Version Control

Issue	Date	Author	Change History
V1.0	January 2019	Holly Barnett and Kate Sturman	New
V1.1	January 2020	Kate Sturman	Minor amendment
V1.2	December 2020	Vicky Davidson	Incorporating annual leave banking facility

Contents

Number	Section	Page
1.	Purpose	4
2.	Definition	4
3.	Scope	4
4.	Equality, diversity and inclusion considerations	4
5.	Entitlement	4
6.	Calculating leave	5
7.	New Members of Staff	6
8.	Leave Application Procedure	7
9.	Periods of Extended Leave	7
10.	Annual Leave and Sickness Absence	8
11.	Banking of Annual Leave	8
12.	Leave Purchase scheme	9
13.	Staff Leaving the Council	9
14.	Review	10

TRAFFORD COUNCIL

ANNUAL LEAVE POLICY

1. **Purpose**

- 1.1 The annual leave policy supports employee choice and helps staff achieve work-life balance. This policy details entitlement, how this is calculated, the application process and other information.

2. **Definition**

- 2.1 Annual leave is paid time off work that an employer gives staff on an annual basis. There is a difference between Annual Leave, Bank Holidays and other types of leave such as Special Leave and Maternity Leave etc. For further information on these please refer to the relevant policies.
- 2.2 Statutory entitlement to annual leave, i.e. the legal minimum, is 5.6 weeks (28 days for those working a 5 day week). An employer can include bank holidays as part of statutory leave.

3. **Scope**

- 3.1 This policy applies to all employees of Trafford Council, with the exception of employees within the Local Authority's schools, where separate arrangements are in place.
- 3.2 This procedure does not apply to casual staff, contractors, external consultants and agency staff where separate arrangements are in place.

4. **Equality, diversity and inclusion considerations**

- 4.1 Managers are responsible for ensuring that they operate the policy in line with the Council's Equality and Diversity and Inclusion principles and the Equality Act 2010. The Council is committed to ensuring that no-one is discriminated against, disadvantaged or given preference, through membership of any particular group, however with particular regard given to the protected characteristics of: age; disability; gender reassignment; race; religion or belief; sex; sexual orientation; marriage and civil partnership, and; pregnancy and maternity. This procedure will be applied fairly to all employees irrespective of their background or membership of a particular group. Where an employee has a disability, reasonable adjustments should be considered as appropriate.

5. **Entitlement**

- 5.1 The standard leave year in the Council is 1st April to 31st March but this may be different in some service areas.
- 5.2 All employees are entitled to annual leave and bank holidays (or compensatory hours if they have to work on a bank holiday). The amount of annual leave they are entitled to is based on their level of seniority, length of continuous service,

their hours of work and the number of weeks they work each year. Where leave is quoted in days below, this is based on an employee who works full time hours over the standard 5 day working week.

5.3 In line with national terms and conditions, leave for Council employees includes 2 extra statutory days. The dates for these days may be fixed in advance by the Council at its discretion.

5.4 Annual Leave entitlement for **Chief Officers** is 30 days (which includes 2 extra statutory days) on commencement of employment and remains at this level regardless of length of service.

5.5 Annual leave entitlement for **all staff below Chief Officer** level is as follows:

- 25 days (which includes 2 extra statutory days), on commencement of employment.
- 30 days (which includes 2 extra statutory days), after 5 years' continuous service*

* The system will automatically calculate leave based on continuous service, for example if a member of staff is coming from another local authority, and increase entitlement when they reach 5 years' service.

5.5 In addition, leave is given for bank holidays and leave is normally quoted inclusive of bank holidays (however this may depend on service area).

5.6 The Bank or Public Holidays are as follows:

- New Year's Day
- Good Friday
- Easter Monday
- May Day
- Spring Bank Holiday
- Late Summer Bank Holiday
- Christmas Day
- Boxing Day

5.7 Staff on term-time only contracts take their annual leave within the school holidays and don't normally have any leave to take during term-time, unless this is agreed as part of their contract. For staff on any other non-standard working patterns, leave will be pro-rata to weekly hours worked and number of weeks worked each year.

6. Calculating leave

6.1 Leave entitlement for the full leave year is 25 or 30 days, plus 8 bank holidays (6.6 or 7.6 weeks in total). As the number of bank holidays is variable, this allowance of hours is automatically recalculated each leave year. The figure shown in MiTrent will show leave entitlement in hours, including bank holidays. Managers must ensure that working patterns are set up correctly in ITrent so that leave is calculated correctly.

Annual Leave (including bank holidays) can be calculated as follows:

Number of weeks of leave x weekly contracted hours = total entitlement in hours

The number of weeks of leave is worked out by taking total number of days of leave divided by 5 (as there are 5 days in a standard working week). The weekly contracted hours for a full-time employee are 36.25 hours.

For example:

For a full-time employee with standard annual leave entitlement of 25 days, the calculation would be:	6.6 wks x 36.25 hrs = 239.25 hrs
For a full-time employee with continuous service additional annual leave entitlement of 30 days, the calculation would be:	7.6 wks x 36.25 hrs = 275.5 hrs
For a part-time employee working 18.125 hours a week with standard annual leave entitlement of 25 days, the calculation would be:	6.6 wks x 18.125 hrs = 119.63 hrs
For a part-time employee working 18.125 hours a week with continuous service additional annual leave entitlement of 30 days, the calculation would be:	7.6 wks x 18.125 hrs = 137.75 hrs

- 6.2 Staff on maternity, adoption and shared parental leave, accrue annual leave and public holidays that fall during the period that they aren't in work. Often this can be taken immediately before and/or after the period of leave.
- 6.3 When a change of contractual hours occurs, an automatic adjustment will be applied and the annual leave entitlement amended accordingly.

7. New members of staff

- 7.1 New members of staff who have continuous service through one of our continuous service schemes (see the Continuous Employment policy) will have their leave calculated automatically by the system based on their continuous service date.
- 7.2 Most employees start or finish part-way through the leave year. The leave entitlement will be reduced to take account of this and will be based on a pro-rata amount to the period of the year that the individual is employed.

8. Leave application procedure

- 8.1 Although managers will try to agree annual leave where at all possible, in order for them to be able to maintain an appropriate level of service in their department, it will sometimes be necessary to refuse annual leave requests. This may occur in the following situations amongst others: if there are too many requests for the same dates; at particularly busy times of the year; where leave has been requested at short notice.

- 8.2 Requests should be made in good time and with reasonable notice (what constitutes reasonable notice can be agreed locally by management to support delivery of service requirements).
- 8.3 When submitting a request for leave staff should clearly indicate the leave scheme they are requesting leave from. This could be annual leave, purchased annual leave or banked annual leave (see sections 11 & 12 below)
- 8.4 It is suggested that staff contact their manager in the first instance regarding the dates on which they would like to take leave to obtain agreement.
- 8.5 For staff using the MiTrent HR system, requests should be submitted through Employee Self Service. The request will generate an e-mail to the manager who can approve or refuse the request. The employee will be notified via email when the request has been submitted, and again with the outcome.
- 8.6 For staff who do not have access to the Mitrent HR system, their manager will outline the process for requesting annual leave. This is often through a request form submitted to the manager for approval, and which can then be inputted and calculated on the system.
- 8.7 For staff who are not required to work on bank holidays, the system will automatically book these out and leave entitlement is adjusted to take the appropriate number of hours out.
- 8.8 For staff on non-standard working patterns, dependant on their pattern and how the bank holidays fall each year, they may either have more flexibility around how they use their hours of bank holiday leave or they may need to use some normal leave to cover bank holidays. For example employees who don't work on Mondays will have extra bank holiday leave to use at another time (as the majority of bank holidays are on Mondays).

9. Periods of Extended Leave

- 9.1 Where staff are on a period of extended leave from the Council, for example maternity or adoption leave, they should agree with their manager how to take their annual leave. Options to take it in the corresponding leave years are to add it to the beginning or end of the period of maternity or adoption leave or to take a day or 2 of leave each week upon return to work.

10. Annual Leave and Sickness Absence

- 10.1 Please see the Attendance Management policy for guidance as to what happens in situations such as when an employee is unwell whilst on annual leave or is off work due to sickness and wants to take annual leave or is unable to take annual leave as they have been off sick.

11. Banking of Annual Leave

- 11.1 Staff have a responsibility to ensure that they are taking their full leave entitlement each year. Annual leave cannot be exchanged for pay and should be taken as leave. If leave is not being taken through the first few months of the year, staff should raise this with their manager as soon as possible so that

plans for taking annual leave and banking annual leave, where appropriate, can be discussed.

- 11.2 Subject to manager approval staff can request to bank up to one working week (36.25 hours for staff who work full time) of annual leave in any annual leave year.
- 11.3 The maximum number of working weeks staff can have banked at any one time is 4 (145 hours for staff who work full time). Any banked annual leave will show in the employees banked annual leave scheme in MiTrent.
- 11.4 The maximum amounts referred to in 11.2 and 11.3 above apply to staff employed on a full time basis. For part time staff the amounts that can be banked will be pro rata.
- 11.5 In exceptional circumstances where the employee has been unable to take annual leave due to an extended period of absence e.g. due to maternity leave or long term sick leave or due to exceptional demands placed on a service e.g. response to a global pandemic the maximum amounts referred to in 11.2 and 11.3 above may be exceeded subject to approval by the relevant Corporate Director.
- 11.6 Any future requests to bank annual leave where the employee has in excess of 4 working weeks' worth on annual leave in their Annual Leave Banking Scheme will be refused unless exceptional circumstances as detailed above have been prevalent within the annual leave year.
- 11.7 Requests to bank annual leave must be submitted via the relevant form on the GMSS portal. The request will require appropriate sign-off as detailed above. For staff who do not have access to MiTrent their manager will outline the process for submitting a request to bank annual leave. This is often through a form submitted to the manager for approval which is then inputted and calculated on the system.

Once a request has been approved the amount of leave requested to be banked will be moved from the annual leave scheme to the banked annual leave scheme within MiTrent.

Subject to manager approval banked annual leave can be taken in any subsequent annual leave years.

12. Leave Purchase Scheme

- 12.1 Staff can purchase additional leave through the Leave Purchase Scheme, which is subject to management authorisation. Staff can request between 1 and 10 days (a day will be pro-rata to part-time workers and other flexible working patterns). Salary deductions for the additional leave will be spread evenly across the leave year (i.e. April to March). Leave must be taken within the leave year, i.e. unused leave cannot be carried forward to the next leave year. Please see the scheme intranet page for more information.

13. Staff Leaving the Council

- 13.2 Annual leave, including any banked annual leave or annual leave purchased under the leave purchase scheme should not be exchanged for pay and should be taken as leave. Save for the exception in 13.6 below, annual leave will only be exchanged for pay in exceptional circumstances..
- 13.3 When staff know that they are leaving the Council, particularly when they have advance knowledge of this, such as in the case of retirement, they should plan their leave so that they don't overtake leave or have any untaken leave at the date their employment terminates.
- 13.4 When staff leave the Council their annual leave for the year will be calculated based on the number of days of the year that they have been employed. Once leave booked in the year so far is taken off they will have either some remaining leave to take or they may have taken too much leave. If they have leave to use, they should agree with their manager when they will take it before their employment terminates. If they have taken too much leave, then the appropriate deduction will be made from their final salary payment.
- 13.5 Staff resigning from their position with the Council with annual leave in their annual leave banking scheme will be asked to extend their notice period by the number of days annual leave they have banked to allow them to take their banked leave during their notice period.
- 13.6 In cases of gross misconduct, where a member of staff is dismissed without notice, payment will be made for any outstanding leave in the member of staff's annual leave scheme in accordance with 13.4 above. Where the member of staff has taken too much annual leave appropriate deductions to the final salary payment will be made as detailed in 13.4 above. In addition the Council will make a payment for any outstanding annual leave in the banked annual leave scheme and purchased annual leave schemes. Any such payments will be included in the employee's final salary payment.

14. Review

- 14.1 This policy will be periodically reviewed in order that it remains appropriate to the Council's operation, is best practice and meets legal requirements.