

**Annual Leave Policy
Work Life Balance (WLB)**

Title	Annual Leave Policy Work Life Balance (WLB)
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Version	Date	Description
0.1	July 2004	Policy updated each Pay and Grading Term
1.0	June 2006	Policy updated each Pay and Grading Term
2.0	Feb 2008	Policy updated to reflect statutory increases, OD, Style Guide and EIA
3.0	Sept 08	Updated in line with legislative reference to maternity rules
4.0	March 09	Updated in line with legislation

1.0 Leave year

1.1 The annual leave year runs from 1 April to 31 March for employees on permanent or fixed term appointments. Annual leave is pro rata for part time employees. This policy may be read in conjunction with the Special Leave policy and the Flexible Working Hours policy which sets out further options for leave arrangements.

2.0 Allowance

2.1 The annual leave allowance for all employees who are on a permanent appointment or fixed term appointment of more than 12 months is as follows (three days annual leave will be automatically allocated within the electronic annual leave system to the holiday period between Boxing Day and New Year):

- on appointment 28 days paid leave;
- after five years recognised continuous service 30 days paid;
- after 10 years recognised continuous service 33 days paid leave.

2.2 Where Christmas Day, Boxing Day and New Year fall on a weekend, two other days will be declared a holiday in lieu. Sickness absences during this period will not supersede the allocated three days annual leave unless a GP/Hospital Certificate for the period of incapacity is produced. See paragraph 6.1 below. Employees will be notified of the arrangements during this period each year by the end of November wherever possible.

2.3 Annual leave allowance is calculated on a pro-rata basis in the following situations:

- employees on a part-time basis (see Appendix 1 for calculation);
- employees who join part-way through the leave year;
- employees who receive an increase in annual leave allowance part-way through the leave year;
- employees who leave part-way through the leave year;
- employees on fixed term contracts;
- employees who increase or decrease their hours of work throughout the leave year;
- employees who take unpaid leave throughout the leave year (see 2.4 below).

Any fractions will be rounded up to the nearest hour.

2.4 Annual leave will continue to accrue in the following situations during periods of:

- 2.5.1 paid sick leave;
- 2.5.2 maternity (including ordinary maternity leave and additional maternity leave);
- 2.5.3 paid adoptive leave (including ordinary adoptive leave and additional adoptive leave);
- 2.5.4 paid foster leave (including statutory pay periods);
- 2.5.5 paid paternity leave (including statutory pay periods);
- 2.5.6 parental leave;
- 2.5.7 unpaid leave;
- 2.5.8 half pay due to sick leave.

In the case of 2.5.2 to 2.5.6 above, annual leave will accrue at the statutory entitlement rate of 28 days per annum which includes bank holidays (pro rata for part-time employees) for the period of unpaid leave / half pay, regardless of length of service.

2.5 Additional annual leave will be awarded to employees as loyalty for continuous service with HEFCW. The previous continuous service of employees joining HEFCW from the former Welsh Funding Councils and Training and Enterprise Councils will be recognised service for the purpose of accruing additional annual leave entitlement.

3.0 Recognised service

Previous service may be recognised for new employees joining HEFCW. Employees must notify HR for recognition of previous continuous service within the first month of employment with HEFCW for consideration.

4.0 Public holidays

4.1 Employees are allowed eight paid statutory holidays in addition to their annual leave entitlement:

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

4.2 Part time employees will receive pro-rata entitlement to public holidays on their contractual hours of work. (See Appendix A– example 1 for calculation and Appendix B Record of Public Holiday Allowance).

4.3 If a public holiday occurs during an employee's absence on annual leave, the public holiday will not count against his/her annual leave allowance.

4.4 During periods of unpaid leave including sickness absence at half pay, foster leave, paternity leave, or parental leave, there will be no entitlement to paid Public Holidays.

4.5 During periods of paid sickness absence, bank holidays will accrue in line with the statutory holiday entitlement.

5.0 Requests for annual leave

5.1 Employees must obtain the authorisation of their line manager prior to taking annual leave. Wherever possible, leave requests will be granted but the organisational needs of HEFCW may preclude certain requests, e.g. where a member of the same team has already received leave authorisation for the same dates, or where the leave request exceeds three weeks. Employees are requested to give as much notice as possible when submitting an application for leave. Applications for leave must be made to the line manager via the electronic annual leave system (see paragraph 7).

6.0 Sickness absence

- 6.1 Annual leave may not be taken instead of sickness absence nor can it be granted immediately following a period of sickness absence unless, before annual leave commences, a doctor's statement of fitness to return to work is provided. If an employee becomes ill during a period of paid leave he or she will be required to produce a GP/Hospital certificate for the period of incapacity for it to be considered as sick leave. In both cases the line manager must be notified no later than the third day of illness. For sickness absences occurring without a GP/Hospital Certificate being produced during the holiday period between Christmas and New Year, the allocated annual leave will prevail for each of these days.

7.0 Recording annual leave

- 7.1 HEFCW has in place an electronic annual leave recording procedure for all employees. Please refer to the guidance for details on its application.
- 7.2 For employees working 37 hours per week a half day's leave involves attendance for half the net hours (i.e. excluding the lunch break and any other breaks taken in the employee's own time); for a full-time employee this would normally be 3.7 hours (3 hours 42 minutes). This will be pro rata for part time employees.

8.0 Carry over of leave

- 8.1 Employees are encouraged to take their full leave allowance during the leave year (1 April to 31 March). Employees are not entitled to financial compensation for leave not taken by the end of the leave year. If an employee is unable to take their full allowance because of work commitments, short term sickness absence, or parental leave, a maximum of nine days (pro-rata for part time employees) can be carried forward to the new leave year with the prior agreement from their Head of Team. All carry over of leave must be taken by the end of September of the new leave year when the entitlement will lapse. It is the responsibility of the employee's line manager to manage any carry over of annual leave.

9.0 Bring forward of leave

- 9.1 Employees may request to bring forward leave from the coming year up to a maximum of five working days. The authorisation of this bring forward of leave will be done in accordance with Section 7 of this policy and with the additional procedure of notification to HR by the line manager if authorised.

10.0 Termination of employment

- 10.1 Employees leaving HEFCW's employment must make every effort to bring their pro-rata annual leave entitlement to nil by the date of leaving. If an employee has not been able to take their leave entitlement due to the needs of the organisation, they will receive payment for outstanding accrued leave in the leave year. Any outstanding annual leave carried forward from the previous leave year will not be paid. Employees who leave having exceeded their annual leave entitlement will have their salary adjusted accordingly, the discrepancy will be deducted from their final salary (see Appendix A - example 3).
- 10.2 If an employee has been absent due to long term sickness and has been unable to take their annual leave entitlement, they will receive payment for outstanding accrued leave in that annual leave year.
- 10.3 Where employment is terminated and the employee has taken in excess of their annual leave HEFCW will deduct the annual leave excess from their final salary. Please refer to the Pay & Grading policy on the intranet for calculation of one day's pay.

Appendix A

Example 1 – Calculating leave - part-time hours

J Evans works part-time 15 hours per week on Mondays and Fridays

28 days entitlement per year

28 days / 37 hours (full time) X 15 hours per week = 11.351351 x 7.4 hours per day = 83.99 hours

Total 83.99 hours per year

Plus 23 hours carried forward from the previous annual leave year = 106.99 (rounded up to 107 hours total annual leave entitlement)

Example 2 – Calculating recognised service

R Jones – works full time

Entitled to 28 days leave

Effective from 1 August 2002 entitled to 33 days leave (having accrued 10 years service)

28 / 365 X 122 = 9.32 (28 days entitlement from 1 April to 31 July)

33 / 365 X 243 = 21.96 (33 days entitlement from 1 August to 31 March)

Carried forward 5 days from previous annual leave year

Total entitlement = 36 ½ days (rounded up)

Example 3 – Calculating leave at termination of employment

C Lewis – works full time and terminates employment on 1 August.

Entitled to 28 days

Taken 8 days annual leave between 1 April to 1 August. Number of days from beginning of leave year to termination date = 123 days (01 April – 01 Aug)

123 / 365 X 28 = 9.43 days (rounded up to 9.5 days)

9.5 days entitlement minus 8 days taken = 1.50 days outstanding leave at termination date.

Section 2 Calculation of public holiday entitlement for part-time employee for a full annual leave year

Stage 1

Calculate the number of public holidays X 7.4
ie: 8 X 7.4 = 59.20 hrs (B)

Stage 2

$$\frac{\text{Contractual hours of work (A)} \times 59.20 \text{ (B)}}{37 \text{ (full time hours)}} = E \text{ (bank holiday entitlement)} \quad \frac{A \times B}{37} = E$$

Stage 3

Deduct number of hours contracted to work during public holidays (C) from E (bank holiday entitlement)

$E - C = \text{_____} \text{ hours due/owed} = F.$

If F is a plus figure, the hours will be added to the balance of the employee's annual leave card.

If F is a minus figure, the hours will be shown as a deduction from the employee's annual leave card.