

READING BOROUGH COUNCIL

REPORT BY HEAD OF LEGAL & DEMOCRATIC SERVICES

TO:	PERSONNEL COMMITTEE		
DATE:	15 MARCH 2018	AGENDA ITEM:	5
TITLE:	BUYING ANNUAL LEAVE POLICY		
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**1. PURPOSE OF REPORT / THE PROPOSAL**

The current policy on buying annual leave has been in operation for some time, but, following the Christmas closure trial in 2017, the Terms and Conditions Working Group asked for the policy to be revised to promote the opportunity and make application easier.

**2. KEY ISSUES e.g. finance/legal/political/customer issues**

The existing policy does not encourage employees to buy additional annual leave, as it puts unhelpful barriers in the way.

In addition to the contributions to savings that the trial of the Christmas closure provided in 2017, where the provision to buy 2 days annual leave to get 2 days gifted was applied; the policy also gives employees an opportunity to buy additional leave to cover a one-off holiday or event, or can allow staff with parenting or caring responsibilities some additional days to provide support during the year.

The significant changes to the existing policy are:

- That staff can buy additional leave after 6 months continuous service with the Council rather than having to wait 12 months.
- Staff will be able to apply for additional leave at any time of the year, rather than set times, and
- Staff will be able to make a one off purchase for a particular amount of days, or make a permanent commitment to buying additional leave days every year, not just a permanent arrangement as required by the existing policy.

The JTUC have been consulted on the revised draft document and they have agreed its contents.

Attached at Appendix 1 is a revised Policy on Buying Annual Leave.

**3. DECISIONS/ACTIONS REQUIRED FOR PERSONNEL COMMITTEE**

**3.1 To approve the revised Buying Annual Leave Policy.**

**4. NEXT STEPS**

Once approved, the new policy on buying annual leave will be available to staff on IRIS, for staff without access to IRIS it will be provided to them by managers upon request.

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**POLICY FOR BUYING ANNUAL LEAVE**

**1. INTRODUCTION**

- 1.1 Under this policy staff can apply to purchase additional annual leave, up to a maximum of 10 days in any leave year. For part-time staff this is pro-rata and in the case of compressed working hours and part-time working the application should be made in the number of hours required to cover the number of days requesting.

**2. SCOPE OF THE SCHEME**

- 2.1 The scheme applies to all employees of the Council, except -
- Staff working term time only
  - Teaching or school based staff
  - Casual staff
- 2.3 You can request to buy additional leave after 6 months continuous service with the Council.
- 2.4 Staff on fixed term or part time contracts can apply to purchase additional leave.

**3. PROCESS FOR APPLICATION**

- 3.1 You may make a request to your manager to increase your leave entitlement by buying additional leave days. Each application is subject to your manager's approval, as there will be budget and staffing implications to be considered. There is no guarantee that your request will be agreed, but no request will be unreasonably refused.
- 3.2 Your manager will consider your request and respond within 21 days. The response will -
- Confirm whether your request has been approved or
  - If it has not been approved, the reasons for the request being declined

In considering requests the needs of the service in terms of staff cover arrangements, productivity, continuity and impact on projects will be paramount. Managers are not permitted to agree requests if they would result in a negative impact on the Council's operation and can only be agreed if there is genuine spare capacity or reasonable adjustments can be made to fully mitigate any negative impact

- 3.3 Your manager may approve some, but not all, of your request and in the event of a 'part approved' application the manager will set out the reasons for not approving the full amount of leave requested.

**4. BUYING ADDITIONAL LEAVE - HOW IT WILL BE IMPLEMENTED**

- 4.1 Any deductions from your salary for the additional leave will be made monthly over a 12 month period and calculated at your rate of pay as at 1st April for each year requested.
- 4.2 The monthly cost will be based on your hourly rate (including all regular payments such as Shift Allowance, Market Supplements, First Aid allowance) multiplied by the total hours being bought divided by 12.
- 4.3 You can apply to buy additional leave at any time of the year; payments will be deducted at the point of agreement with your manager. This can be as a "one off" arrangement to provide additional days for a particular purpose or occasion. Alternatively, this can be a permanent arrangement each year going forward. If your application is agreed and made effective on this basis within an existing leave year (ie April to March), then you will receive a pro rata entitlement for the first, part year (ie Number of days approved /12 x remaining full months in the leave year).
- 4.4 If you work part-time, your entitlements will be pro rata. If you work less than 5 days per week, the maximum amount of leave that you can buy is the number of your contractual hours per week x 2. For example, someone who works 30 hours per week can buy 60 hours additional leave per year.

If you work variable hours then the maximum number of hours available to buy will be calculated on the average number of hours over a two week period.

## **5. IF YOUR APPLICATION IS NOT ACCEPTED**

- 5.1 If your application is not accepted (in whole or in part), then you may appeal against the decision of your manager to your Head of Service.
- 5.2 Your appeal should be made in writing setting out the full grounds of your appeal and be received by your Head of Service within 10 working days of the rejection of your original application.
- 5.3 The Head of Service will consider your appeal and respond to you within 15 working days. The decision of the Head of Service will be final.

## **6. OTHER IMPACTS OF BUYING ANNUAL LEAVE**

- 6.1 There may be a small minority of staff who, if they opt to purchase additional leave, will reduce their salary to below the current National Insurance limit. This may affect their entitlement to state benefits (e.g. Statutory Sick Pay; Statutory Maternity Pay).
- 6.2 It is important, therefore, that you seek your own, independent advice about the impact of this decision.

