# DURRINGTON TOWN COUNCIL NALC NEW POLICY, CHANGES IN RED APRIL 2025

# ANNUAL LEAVE POLICY

Annual leave entitlement	2
Working part-time	2
Variable hours workers	2
Leave year	2
Carrying over leave	2
Requesting leave	2
Sickness during leave	3
Payment of annual leave	3
Payment in lieu	3

#### Annual leave entitlement

Your paid leave entitlement is set out in your contract of employment. The basic leave entitlement for a full-time staff member is 23 days per annum in addition to 8 Bank holidays. Part-time employees receive a pro-rated entitlement, of both annual leave and bank holidays, according to their hours of work.

#### Working part-time

If your pro-rata'd entitlement to Bank Holidays exceeds the number of days that fall on your normal working days (typically because you don't work on Mondays), you will be able to take the excess as leave. If your entitlement to Bank Holidays is less than the number of Bank Holidays that fall on your normal working days (typically because your normal working days include Mondays), then you can make up the difference by using your leave entitlement. With agreement from the clerk (or the council in the case of the clerk), you may be able to work additional hours to make up the deficit or take unpaid leave.

#### Variable hours workers

Statutory minimum holiday entitlement is based on 5.6 weeks of holiday per holiday year, including bank and public holidays. [Any holiday entitlement over and above 5.6 weeks will be pro-rated based on hours, days, and weeks worked]. Where variable hours are worked, the actual weekly holiday entitlement will be calculated on a pro-rate basis depending on the average number of hours worked per week, over a 52-week reference period, excluding any weeks when no work has been undertaken.

#### Leave year

The leave year runs from [1st April to 31st March]. It is your responsibility to manage your leave in such a way that you can take it all during the leave year. Your annual leave entitlement will be pro-rated in your first and last year of employment with the council.

#### **Carrying over leave**

Except in the very rare circumstances of a booked and agreed period of leave being cancelled at the council's request, it is not possible to carry over unused days of leave from one leave year to the next, nor will any payment be made for leave unused at the end of a leave year. Thus, leave untaken at the end of a leave year is lost.

#### **Requesting leave**

You should request leave from the clerk (or the council in the case of the clerk), with as much notice as possible. This will allow the council to plan workloads. Before granting leave we will consider:

- The team's workload,
- The need for office or team cover, and,
- Whether other staff have or are likely to ask for the same time off (e.g. a popular holiday time).

The clerk/council will balance your needs against the needs of other staff before agreeing to leave. If you take leave without such permission, it will be treated as an unauthorised absence and dealt with under the Disciplinary Procedure.

#### **Sickness during leave**

If you become ill during a period of paid annual leave, you must comply with the requirements of the sickness reporting and certification procedure if you wish to have this sickness period discounted from the period of paid leave taken. It is important that you contact the Clerk (or the Council in the case of the Clerk), on the first day of sickness and keep the council up to date during the period of sickness.

#### Payment of annual leave

If you work regular hours or a full year, holiday pay will be the same as the pay you will have received if you had been at work and working.

If you work irregular hours or part year will receive holiday pay that is based on an entitlement that is calculated at 12.07% of actual hours worked in the relevant pay period using a 'reference period' of 52 weeks (or to the start date if this is less than 52 weeks). A pay period is the frequency an employee is paid.

The Council operates rolled up holiday. An employee who is an irregular hours or part year worker will receive a payment in each pay period in lieu of taking annual leave.

#### Payment in lieu

The council cannot offer payment in lieu of leave entitlement unless you are leaving the council and have not taken leave entitlement that you have accrued at the time of leaving.

If you leave during the course of a leave year and cannot take any outstanding accrued leave before your last day, you will receive a payment in lieu of any outstanding accrued leave. In such a case, a calculation will be made of the amount of paid leave due to you, on a pro rata basis, for that part of the leave year up to the date of termination of the contract. Holiday pay will be based on your current rate of pay including any regular overtime.

If, however, you have taken more paid leave than is due by this calculation, then a deduction will be made from your salary payments for an amount at your basic daily rate for the days in question. Such a deduction will be deemed to be a contractually authorised deduction.

This is a non-contractual procedure which will be reviewed from time to time.

Date of policy: Approving committee: Date of committee meeting: Policy version reference: Supersedes: [Name of old policy and reference] Policy effective from: Date for next review:

- policy ends here -

# Notes

1. Annual leave entitlement

The statutory minimum leave entitlement for full-time workers is 5.6 weeks (20 days in addition to 8 Bank Holidays). This should be pro-rated for part-time workers. If your clerk works three full days a week, their entitlement will be 3/5ths of the full-time entitlement (i.e. 12 days leave in addition to 4.8 days Bank Holidays).

2. Green Book terms

If the council adopts Green Book terms and conditions of employment, staff receive an additional four days entitlement after five years of continuous service. Furthermore, employees have an entitlement to two extra statutory days' leave which may be taken on specific days or added to the annual entitlement. In addition, with effect from 1 April 2023, there will be an increase of 1 day's leave for all employees meaning the green book entitlement is 23 days (pro-rated for part-time workers). After five years of continuous service the entitlement increases by an additional three days. It is recommended that staff are written to, to confirm with them their revised annual leave entitlement from 1 April.

# Public and Extra Statutory Holidays

Employees required to work on a public or extra statutory holiday shall, in addition to the normal pay for that day, be paid at plain time rate for all hours worked within their normal working hours for that day. In addition, at a later date, time off with pay shall be allowed as follows:

- Time worked less than half the normal working hours on that day half day
- Time worked more than half the normal Working hours on that day full day
- 3. Carrying over leave

It is important that staff take their statutory annual leave in order to ensure the council complies with working time legislation. The council has a responsibility to support staff to take their annual leave. If the council offers leave entitlement in excess of the statutory minimum, you may wish to allow staff to carry over unused entitlement from one year to the next. The following text can therefore replace the relevant section above.

Where it has not been possible to take all your leave in the current leave year, and only with prior consent from the clerk (or the council in the case of the clerk), you will be permitted to carry forward up to [5] days leave. This must be taken within the first two months of the new leave year.

4. Rolled-up holiday pay

It is not permissible to "roll-up" holiday pay into basic pay, i.e. pay an employee a higher hourly, daily or weekly wage, part of which is designated as holiday pay, with the result that, when the employee goes on leave, they receive no pay.

5. No normal working hours

If an employee does not have normal working hours, for example, if the amount of work fluctuates from week to week, then the amount payable during statutory annual leave must be calculated as an average of the employee's actual pay during the 52 weeks that preceded the start of the leave period, excluding any weeks the employee has not worked If, during the preceding 52 weeks, there was one or more weeks during which the employee did no work (and hence received no pay), that week must be discounted and an earlier week counted instead (limited to a maximum reference period of 2 years).

For those not working all year round (casual/term-time/seasonal), recent case law has concluded that the holiday entitlement should be calculated based on the minimum 5.6 weeks statutory entitlement. A week is based on average hours worked over a 52 week period prior to the leave, and the entitlement will be 5.6 weeks holiday based the average week.

Additional guidance and example scenarios are available at <u>https://www.gov.uk/holiday-entitlement-rights/holiday-pay-the-basics</u>

6. Religious festivals

Refusal of annual leave on a day that has religious significance for a particular employee may amount to indirect discrimination under legislation.

## Guidance

Where there is text in [square brackets] this part may be updated or be deleted if not relevant. An alternative option may have been provided.

## Important notice

This is an example of an employment policy designed for a small council adhering to statutory minimum requirements and does not constitute legal advice. As with all policies it should be consistent with your terms and conditions of employment.

This document was commissioned by the National Association of Local Councils (NALC) for the purpose of its member councils and county associations. Every effort has been made to ensure that the contents of this document are correct at time of publication. NALC cannot accept responsibility for errors, omissions and changes to information subsequent to publication.

This document has been written by WorkNest – a company that provides HR advice and guidance (and general business compliance support) to town and parish councils. Please contact them on 01403 240 205 for information about their services.