

# **Purchasing Additional Annual Leave Policy**



**ORGANISATIONAL DEVELOPMENT**

Issued: October 2024

This document is also available in Welsh / Mae'r ddogfen hon hefyd ar gael yn Gymraeg

# Version Control

This document is intended for:

- Council staff only    School-based staff only    Council & School-based staff

Version	Key Changes	Approved By
Apr 2020	No updates required – reformatted only	DMT
Oct 2024	Application form updated	OD

This document may be reviewed and amended at any time and without consultation in response to legal requirements or in response to an organisational requirement and where the changes do not reflect a fundamental change or affect the spirit or intent of the document.

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# 1. Purpose

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The Council is committed to promoting the health and wellbeing of employees and operates a policy allowing individuals to request additional annual leave. This policy is intended to assist employees in balancing work and home life by providing greater flexibility in respect of planned time off work. There may be instances for example where a member of staff:

- is planning a special event or trip
- is intending to pursue a development opportunity/training course
- needs extra leave for personal reasons
- simply would like more annual leave

Existing policies such as job share, part-time working and special leave provisions may not be appropriate for a member of staff to use, therefore, purchasing additional annual leave could be a more realistic option.

Benefits of adopting this policy may be the contribution of achieving Council cost savings, reduction in absence levels and an improvement in morale and motivation, whilst enabling Council employees to manage their work-life balance.

# 2. Scope

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This policy applies to all Council employees (with the exception of school based staff and term-time workers) whether they are full-time, part-time, fixed term, temporary or permanent irrespective of length of service.

# 3. Policy Details

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This policy provides the opportunity for an employee to “buy” up to a **maximum of 10 days** (for full-time staff, pro-rata for part-time staff) additional annual leave in each leave year.

Additional annual leave is unpaid, the cost of which will be deducted from an employee’s salary.

Employment would not be broken during the unpaid leave period(s) and continuous service would be maintained.

As with any flexible working scheme it is of paramount importance to maintain provision of the Council’s services. Approval of any additional annual leave purchase is therefore not guaranteed, and would always be subject to the operational requirements of the service which must remain a priority.

## 4. Policy Application

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- The purchase of additional annual leave should be applied for and taken in line with the normal annual leave procedures.
- Applications must be made for full days and will be based on contractual hours.
- Employees will not be able to undertake paid work for another employer during the unpaid additional leave periods.
- There will be no increase in the normal leave “carry forward” provisions and managers and employees must ensure proper planning and management of the taking of the additional annual leave.
- Once purchased leave **cannot be “sold back” to the Council.**
- If, having purchased additional annual leave, the employee fails to take it before the end of the relevant leave year, the **leave will be lost and no reimbursement.** **Where leave spans 2 annual leave years the purchased leave will align to the year it falls in.** However, if an employee is unable to take the additional annual leave owing to a period of long term sick, they could request the days are refunded or carried over into the next annual leave year (provided this does not have an adverse effect on service provision and is agreed with the employee’s line manager).
- If an employee is in a no pay situation or leaves the Authority, there is a requirement to pay back the leave and a sundry debtors invoice will be issued to the employee/ex-employee by the Payroll Section from the first non-repayment period.
- The Council reserves the right to refuse an employee's application to purchase additional annual leave for operational or technical reasons related to their job which could include consideration of workloads and will be conditional upon any temporary or agency cover required to cover the absence being cost neutral to the Council.
- Whilst there is no automatic right to additional annual leave every application will be fully considered and Line Managers will endeavour to accommodate the request where it is possible. In the event of a manager’s refusal reasons will be provided to the employee.
- This policy is voluntary and there is no right of appeal if a request is refused. The decision of the line manager is final.
- Where a request has been received and approved, the employee will be notified in writing by their line manager and the appropriate change to their pay notified to them by the Payroll Section.
- **Employees can purchase up to a maximum of 10 leave days – this is to be planned in line with the annual leave year by completing one application for submission to their line manager.**

## 5. Procedure

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- Employees must complete the “Purchasing Additional Annual Leave Application Form” ([appendix 1](#)) and submit it to their line manager to ensure deductions from salary can be spread over the relevant leave year.
- The approved application form needs to be forwarded to the Organisational Development Division – Payroll Section by the end of a calendar month to ensure payroll deductions commence.
- Applications can be made at any time. If approved, the deductions will take place in equal instalments over the equivalent number of months remaining in an employee's annual leave year. Where employees have multiple roles within Blaenau Gwent County Borough Council a separate application form should be completed for each job the employee wishes to purchase annual leave.
- On receipt of a completed “Purchasing Additional Annual Leave Application Form” the manager will assess the operational feasibility of granting the request. This will include a full assessment of whether or not the additional annual leave can be accommodated within the employee's annual leave year, taking into account the operational needs of the department/service area.
- The manager will communicate the decision in writing within **10 working days** of receiving the application. In the event of a manager's refusal, clear business reasons must be given to the employee, e.g. operational or technical reasons related to the individual's job or service needs, and other alternative options should be explored with the employee. Support and advice can be provided to managers by their directorate OD representatives.
- The manager will inform the OD Division – Payroll Section of the employee's successful application to purchase additional annual leave.
- Once an application has been approved and the first deduction is made by the OD Division – Payroll Section, the agreement becomes binding.
- Approval of any additional annual leave purchased must be recorded on the employee's leave record.
- Additional annual leave should be applied for and taken in line with the normal annual leave procedures and the days taken recorded and authorised in the normal way.
- Employees leaving the organisation will be reimbursed any outstanding additional annual leave purchased and payments will be recovered in line with contractual provision if the employee has taken in excess of their purchased additional annual leave. The amount of additional annual leave taken should be monitored by the employee's line manager.
- A separate request must be made for each leave year and every attempt must be made to give two months notice to enable managers to plan for service continuity.
- The additional annual leave must be paid within the 12 month period it is purchased for.

## 6. Adjustments to Pay

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- Where an employee requests to purchase additional annual leave, this will result in a reduction to their monthly salary for their whole leave year. As with normal annual leave, part-time/part-year worker's purchased additional annual leave will be calculated in hours.
- The new monthly salary will be calculated and notified to the employee, by the Payroll Section, as soon as possible following receipt of the approved request from the employee's line manager.
- An employee should note that by completing and submitting the "Purchasing Additional Leave Application Form" ([appendix 1](#)) that, if approved, this form also constitutes their consent to any applicable salary adjustment.
- In the event that an employee's salary changes during a leave year, the agreed additional annual leave purchase amount will **remain unchanged**.
- How the cost of the additional annual leave will be calculated is detailed on the "Purchasing Additional Leave Application Form" ([appendix 1](#)).

## 7. Pension Implications

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For pension purposes any additional annual leave purchased will be classed as a period of 'authorised unpaid leave of absence'. Therefore pension contributions by both the employee and Council will not automatically be paid.

Employees can elect to buy these pension contributions back and will be asked whether they wish to do this on the application form. If the employee chooses to cover the period of absence for pension purposes this will be by paying an age-related Additional Pension Contribution (APC) to cover the amount of pension 'lost' during the period of authorised unpaid leave of absence.

If the employee elects to pay APCs to cover the lost pension, the Council will be liable to pay two thirds of the costs if the election is made within 30 days of the application being approved.

If the employee elects to cover the period of absence for pension purposes after 30 days of the application being approved the Council is not obliged to pay employer pension contribution costs and the employee will be liable for the full amount.

Further details can be found in the "Buy Lost Pension" section on the [Local Government Pension Scheme](#) website.

## 8. Roles and Responsibilities

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### Employees will:

- Complete the application form and submit it to their line manager. Every attempt must be made to give **two months** notice to enable managers to plan for service continuity (**a separate application form will need to be completed for each job if employees have multiple positions**). Note that by completing and submitting the request for additional annual leave form that, if approved, this form (together with contractual provision) also constitutes their consent to any applicable salary adjustment.
- Discuss the proposal and any options with their line manager.
- Seek appropriate advice as necessary regarding the statutory pension requirements relating to their application form.
- Ensure they fully consider the financial implications for themselves of the monthly deductions from their salary.
- Ensure proper management of their leave throughout their leave year in order to ensure that all additional annual leave is taken prior to the end of the leave year.

### Line Managers will:

- Assess the request for purchasing additional annual leave, liaising with their directorate HR team, considering the operational feasibility of granting the request; including ensuring that the additional annual leave can be accommodated within the employee's leave year.
- Treat all applications equally.
- Communicate the decision in writing within 10 working days of receiving the application.
- Provide clear business reasons if the application is refused.
- Inform the OD Division – Payroll Section of the employee's intention to purchase additional annual leave.
- Ensure proper management of the employee's leave throughout their leave year in order to ensure that all additional annual leave is taken prior to the end of the leave year.

### OD/Payroll Section will:

- On receipt of a "Purchasing Additional Annual Leave Application Form" the Payroll Section will notify the employee of their revised monthly salary.
- Adjust the employee's monthly salary.

# Purchasing Additional Annual Leave

## Application Form



Full Name:

Position Reference (BG):

Personal Reference Number:

Address:

Department:

Designation:

I would like to apply to purchase the following number of additional annual leave days (maximum of 10 days for full-time staff, pro-rata for part-time staff) for the year in accordance with the scheme:

No. of days applied for  X hours in standard working day  =  (total number of hours)

Total number of hours  X hourly rate  =  (total cost of annual leave)

I understand that this will result in a reduction in my salary for the relevant leave year and I give my consent to the Council to make such deductions from my salary, including any payments that may need to be recovered in the event that I have overtaken my annual leave entitlement. I understand that the decision to allow me to purchase additional annual leave is entirely at the Council's discretion.

For the period of 'authorised unpaid leave of absence' do you want to pay back Pension Contributions on the unpaid leave? (LGPS only)

Yes

No

This is deducted at 1/3 employee and 2/3 Employer under a Shared Cost Additional Pensions Contract (SCAPC).

Please apply at <https://www.lgpsmember.org/help-and-support/tools-and-calculators/> and include a copy with this form.

Which month would you like the change to be effective from?

Employee's Signature:

Date:

### TO BE COMPLETED BY THE LINE MANAGER:

I confirm that the above request to purchase additional annual leave has been approved.

Line Manager's Signature:

Date:

### TO BE COMPLETED BY PAYROLL STAFF:

Calculations checked by:

Date:

PLEASE SUBMIT THIS APPLICATION FORM TO [HRpayroll@blaenau-gwent.gov.uk](mailto:HRpayroll@blaenau-gwent.gov.uk)