

WILTSHIRE COUNCIL

STAFFING POLICY COMMITTEE

7 September 2016

Recording of Annual Leave

Purpose of report

1. In May 2016 Staffing Policy Committee requested a short report setting out how annual leave is recorded and monitored at the council.
2. This report confirms the current approach, and also outlines alternative recording methods which have been considered.

Background

3. Since becoming a unitary authority in 2009 the council has had a single annual leave policy in place. The policy applies to all Wiltshire Council employees, with the exception of those on TUPE terms and conditions and teaching and non-teaching staff employed in maintained schools and academies.
4. The approach at the council is that recording and monitoring of annual leave is one of a suite of people management tasks which line managers are responsible for carrying out.
5. Managers are supported in this through the provision of guidance and templates on HR Direct, and this also includes ensuring that individual employees are aware of their entitlement and responsibilities.
6. The employment contract is based on trust and the majority of staff are empowered and trusted to record and monitor their own annual leave entitlement with line management supervision and agreement.
7. The annual leave of front line staff tends to be more closely managed to ensure we are able to continue to deliver front line services and backfill leave where required.

Benchmarking

8. In determining the approach in other councils the South West Councils regional network has been contacted for benchmark information.
9. The councils that responded stated it was the managers' responsibility to monitor their employees annual leave and none of the respondents had a fully electronic self-service system.
10. One council maintained full time employee's annual leave records through their HR system but only for full time staff with a regular working pattern. The system is unable to manage leave for part time staff or for those on non-standard working patterns or other types of contracts.

Annual leave entitlement

11. An employee's annual leave entitlement is based on their length of service. The annual leave entitlement for full time staff is 25 days per annum. This increases to 30 days per annum after five years continuous service, and to 32 days per annum on completing 40 years' service. In addition employees receive six bank holidays and two public holidays per year. Part-time employees receive a pro-rata entitlement.
12. Annual leave calculations are dependent on working patterns. The council encourages flexible working and there are therefore many different work patterns including part-time hours, compressed hours, term time working and annualised hours. Within these working patterns there are further differences with employees working different days and different hours including different hours from day to day.
13. Calculating annual leave entitlement can be complicated and to support staff and managers in determining leave entitlement a self-service calculator and supporting guidance, (including relevant policies and procedures) is available via HR direct. There are calculators for full time staff, part time staff, annualised hours, bank holiday entitlement along with guidance on calculating annual leave for term time and compressed hours employees.
14. Managers are expected to use this calculator and supporting information so that individual annual leave entitlement is calculated correctly and recorded. The majority of managers use a spreadsheet to record and monitor annual leave.
15. There are some front line services (for example in Waste and Leisure) where a minimum level of cover is needed to deliver services so annual leave is recorded in a system to provide the service with a record of daily attendance.

Management role in monitoring leave

16. The requirement to manage annual leave is a clear management responsibility. All management role profiles outline the requirement for postholders to complete HR processes and planning relating to line management to the required standards and timescales, and to take accountability for their employees' wellbeing.
17. The annual leave policy details that it is a line managers' responsibility to make sure their employees calculate their annual and bank holiday leave entitlements correctly each year and to give assistance, where necessary, in doing this.
18. It also states that it is the managers' responsibility to make sure their employees book and take their leave entitlement each year and to check that an employee is not using annual leave when another type of leave would be more appropriate such as carers' leave, family, emergency and compassionate leave etc. It also advises managers on having an accessible team leave chart.
19. Managers need to monitor annual leave requests in conjunction with requests for other types of leave such as carry over of annual leave, purchase of annual leave, requests for unpaid leave etc. making sure they can cover their services and business priorities.
20. Methods for recording and monitoring annual leave vary across services. Some teams use spreadsheets, others store electronic leave cards on sharepoint or shared drives which are managed by the manager or a nominated member of staff.
21. In office based teams most staff book holiday using their outlook calendar and maintain their own leave cards. This has the advantage that annual leave is

transparent, other staff can see when they are on leave and managers can approve requests electronically avoiding the need for any paper based system.

22. On the grow induction checklist which managers complete for new starters it details that the manager should explain to the new employee the team protocol around hours of work, booking holidays and, where appropriate, the use of team rotas, flexi-time and flexible working. This ensures that new starters understand the processes used within their own team.

Employee role in managing annual leave

23. Employees are fully aware of their leave entitlement and the contract of employment gives information about their annual leave entitlement, with additional information available via HR Direct.
24. The responsibility for individual employees to take and manage their own annual leave entitlement is re-iterated through the induction process. The corporate induction informs new employees how they can access the information on HR direct and gives key HR information, including the contractual annual leave entitlement.
25. As outlined employees can access the annual leave and bank holiday entitlement policy on HR direct along with the annual leave calculator. HR direct also has guidance and information for employees on different working patterns and how to work out annual leave calculations for these flexible work practices. Frequently Asked Questions are contained within the policy and there is a printable or electronic annual leave card that employees can use to record their leave as they take it.

HR support

26. If additional public holidays are declared such as a royal occasion or the Leader of the Council grants an extra day's leave for staff such as Christmas Eve specific guidance is issued to managers and staff via the Manager Wire, Electric Wire and notices for front line staff.
27. Eight HR Manager briefing sessions have been run by HR on 'Time Off' which included information on annual leave and bank holiday entitlement, what to take into account and how to calculate these entitlements.

Evidence of issues related to annual leave

28. There is little evidence that there is any abuse of the annual leave entitlement by staff, and there have been no cases raised related to employees being prevented from booking annual leave.
29. There have been two instances brought to light this year by a new manager where bank holiday entitlements have been wrongly calculated. These issues have been handled by the HR Advisory team through our normal processes.
30. Following the introduction of the purchase of annual leave scheme (PAL) in the second half of this year we received 122 applications from employees in a wide range of roles, and across a wide spread of services. To apply and be considered for PAL managers would have had to check that their employees had either taken or booked their full leave entitlement for the year. This indicates that employees do feel able to take their

full entitlement of leave and that managers are able to accommodate requests for additional leave.

31. Should employees identify any anomalies regarding annual leave entitlement within their own team, as with any other employment concerns, they have recourse to council policies enabling them to raise issues using either an informal or formal process.
32. Whilst there have been no issues raised with HR about annual leave it is proposed that a communication via the Managers Wire is sent in September 2016 to remind managers that, as we are nearing the end of the leave year and because of the recent annual leave increases, they have a duty to ensure that their employees have taken or booked their annual leave entitlement for the 2016 leave year and not overtaken their entitlement.

Option considered - SAP recording

33. When the council adopted SAP in 2009 work was undertaken to understand whether it would be beneficial to use the SAP system to record annual leave.
34. A survey of working patterns was undertaken across the council. Approximately 50% of employees responded to the survey and from these there were more than 2000 different working patterns.
35. The administration required to build each of these working patterns into SAP, select the correct pattern for each employee and to maintain this whenever a working pattern changed (either permanently or temporarily) would place a considerable administrative burden on both HR and managers.
36. Although SAP can be used to book annual leave it is not a workable option due to the huge number of flexible work patterns from which the system is unable to specify the amount of leave an employee has taken, or calculate and monitor an individual employee's annual leave entitlement. Previous attempts to test this have resulted in significant errors in the information available.
37. The decision was therefore taken that having reviewed the requirement to use SAP to monitor leave this would deliver less value than the time and resource it would take to administer.

Option considered - HR monitoring of leave records

38. As an HR service we are focused on being proactive and strategic, rather than transactional and monitoring. Our approach is to empower managers and this is seen in our aim to make HR policies self-service and to move towards more self-directed learning.
39. Using HR resource to regularly monitor whether managers are complying with basic employee processes would not add value or support this approach. It would require significant resource to be focused on these tasks, taking resource away from other key areas of work.
40. Managers understand their responsibilities, and the focus on the need to deliver outcomes means that managers have a good reason to ensure that staff are taking the correct amount of annual leave, and that annual leave takes into account operational needs and is spread evenly throughout the year.

Recommendations

41. It is recommended that Staffing Policy Committee;
 - a. Note that central monitoring of annual leave would be a resource intensive process which is unlikely to add value.
 - b. Support the approach outlined in this report which requires managers to be responsible for annual leave monitoring arrangements.
 - c. Agree that HR sends a communication via the Managers Wire in September 2016 to remind managers that, as we are nearing the end of the leave year and because of the recent annual leave increases, they have a duty to ensure that their employees have taken or booked their annual leave entitlement for the 2016 leave year and not overtaken their entitlement.

Barry Pirie
Associate Director People and Business

Report author: Margaret Roots, HR Policy Officer