

Purchasing Annual Leave policy and procedure

This policy can be made available in other languages and formats such as large print and audio on [request](#).

What is it?

This scheme gives employees of Wiltshire Council the opportunity to purchase **four** weeks additional leave each year (pro-rata for part-time employees). It is aimed at providing greater work/life balance for employees and allow for events such as a special occasion or trips or taking extra leave for personal or family reasons.

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Who does it apply to?

The policy applies to all Wiltshire Council employees except centrally employed teachers, Youth and Community employees and teaching and non-teaching staff employed in maintained schools or academies. It also does not apply to an employee who has transferred under TUPE terms and conditions of employment.

When does it apply?

The scheme runs from 1 January – 31 December alongside the normal annual leave year but it will be administered separately.

It is a discretionary scheme and will be reviewed each year. It is not a term and condition of your employment.

When does it not apply?

The policy will not apply to:

- employees in their probationary period
- fixed term or temporary contracts with less than 12 months left to run
- teaching and non-teaching staff employed in maintained schools or academies.
- centrally employed teachers
- youth and community employees
- staff on term time only contracts
- zero hours casual workers

What are the main points?

Application period

1. The maximum amount of additional leave you can apply to purchase in a leave year is **20 days** (pro-rata for part time employees) to be taken in one-week blocks.
2. There will be **four** application windows each year. The first application window will be 1 – 30 November for applications in the following year during which you can apply to purchase additional annual leave of up to 10 days for full-time employees, pro-rata for part-time employees. The additional annual leave must be taken in the leave year 1 January to 31 December¹.
3. **The second application window will be 1 – 28/29 February in the current leave year when you can apply to purchase up to 10 days' additional leave for full-time employees, pro-rata for part-time employees, to be taken from 1 April during the remainder of the current leave year.**
4. The third application window will be 1 May – 31 May in the current leave year when you can apply to purchase up to **10 days' additional leave for full-time employees, pro-rata for part-time employees, to be taken from 1 July during the remainder of the current leave year.** If you have already purchased **20 days' additional leave** (pro-rata for part-time employees) in the first two application windows, then you cannot apply for any further PAL in the third or subsequent application window periods.
5. The fourth application window will be 1 August – 31 August in the current leave year when you can apply to purchase up to **10² days'**

¹ Subject to paras 31-39 below.

² The number of days' additional annual leave may be limited where this would mean the employee's income would fall below National Living Wage/National Minimum Wage due to the shorter period for payback.

additional leave for full-time employees, pro-rata for part-time employees, to be taken from 1 October during the remainder of the current leave year. If you have already purchased 20 days' additional leave (pro-rata for part-time employees) in the first three application windows, then you cannot apply for any further PAL in the fourth application window periods.

6. Managers should also ask all employees for their standard annual leave requests for the year so these can be agreed and take precedence over requests for additional purchased annual leave.

Amount of additional leave that can be purchased:

7. Full-time employees are able to purchase a maximum of 20 days' additional leave each year to be taken in one-week blocks. A week is based on the employee's working week pattern and must be a normal working week even if some of these days are non-working days.
8. Part-time employees can purchase the equivalent of 20 days' pro-rata leave each year to be taken in one-week blocks. A week is based on the part time employee's working week pattern and must be a normal working week even if some of these days are non-working days.
9. You are able to request to take two one-week blocks consecutively.

In each window of application:

10. Full-time employees are able to purchase up to 10 days' additional leave to be taken in one-week blocks, i.e. 5 days or 10 days. A week is based on the employee's working week pattern and must be a normal working week even if some of these days are non-working days.
11. Part-time employees can purchase the equivalent of 10 days' pro-rata leave to be taken in one-week blocks. A week is based on the part-time employee's working week pattern and must be a normal working week even if some of these days are non-working days.
12. If you applied for 10 days' additional leave (pro-rata for part-time employees) during the first window application period and this was approved then you can only apply for 5 or 10 days' additional leave (pro-rata for part-time employees) during the subsequent windows of application, to a maximum of 20 days (pro-rata for part-time employees).
13. In accordance with the [Annual leave and bank holiday entitlement policy](#) the maximum amount of leave that can be taken at any one time by combining annual leave with carry-over of annual leave, accrued banked leave, unpaid leave and purchase of annual leave is 40 days (pro-rata for part time staff). This is subject to the approval of your manager.

Application process

14. Make sure you have read this policy, including the FAQs, before applying for PAL so that you fully understand that by making an application you are committed to the scheme.
15. To request PAL complete the Request to Purchase Annual Leave form detailing the amount of leave you are requesting and send it electronically to your manager for their approval by the deadline of the application window that you are applying in.
16. If you have more than one job at the council you can apply for a maximum of 20 days' additional leave (pro-rata for part time staff) in total, and not for each job. If you are requesting leave from all your jobs at the same time you will need to get the approval of each of your managers.
17. Your manager will assess all applications received for purchased annual leave at the end of the application window period and will take into account that standard annual leave booking takes precedence over purchased annual leave.

Approval of purchase of annual leave

18. If your manager approves the leave they will complete the application form and send it to Policyandreward@wiltshire.gov.uk.
19. When the approved application is received by HR, the team will carry out eligibility checks to make sure you have sufficient pay after deductions to meet the legal minimum requirements for the national minimum wage. Providing this is satisfactory your request will be actioned and you and your manager will receive an email of confirmation.

Refusal of purchase of annual leave

20. As with any other leave request managers have the right to refuse requests in full or part (e.g. one week instead of two) because of service delivery reasons such as the leave request is over a busy period or other employees have already booked leave for the same time.
21. If your manager cannot agree to your request they will discuss with you the potential for agreeing alternative dates.
22. Managers can discuss with their team if there are a number of requests for the same period to see if someone is prepared to alter their dates or if there can be a compromise.

23. Managers need to ensure consistency in their decisions to decline purchase of annual leave requests as with any other leave requests.
24. If your manager is unable to approve your request or agree alternative dates they must still complete the application form and send to Policyandreward@wiltshire.gov.uk. They will need to give reasons on the form as to why they have been unable to approve your request and to add notes from the meeting they had with you to discuss your application. There is no right of appeal against the manager's decision.

Recording of annual leave and purchased annual leave

25. Annual leave and purchased additional annual leave must be recorded and processed separately. There is no change to the way annual leave is requested and recorded.

The cost of your purchased annual leave

26. You are able to calculate the estimated cost of your annual leave by using the purchase annual leave calculator.
27. Deductions for the purchase of annual leave will be taken from your salary as below:
 - a) PAL approved from January will be deducted each month January – December
 - b) PAL approved from April will be deducted each month April – December
 - c) PAL approved from July will be deducted each month July – December.
 - d) PAL approved from October will be deducted each month October – December³.
28. The cost of your annual leave is based on your contractual hours and salary at the time of the application window closing date, unless you change your contractual hours and this will take effect on or before the first day of the period in which you have approved additional annual, in which case the cost is based on these contracted hours. It will include all regular contractual payments you receive such as unsocial hours allowance.
29. The cost of your purchased annual leave will be deducted from your gross salary prior to deductions for tax, national insurance and pension.
30. A request for purchased annual leave will be declined if after deductions your hourly rate is lower than the national minimum wage.

³ See footnote 2 above

Commitment

31. Once your application to purchase annual leave has been agreed you are committed to the scheme. If you fail to take the leave at the agreed time the leave will be lost with no reimbursement unless you are able to agree with your manager a mutually convenient time to take the leave within the leave year.
32. By completing and submitting an application for the purchase of annual leave you are agreeing to deductions for the purchase of your leave from your salary.
33. Purchased annual leave cannot be carried over from one leave year to the next. If it is not used within the 12-month annual leave year in which it was purchased it will be lost. The annual leave year runs from 1 January to 31 December.
34. In exceptional circumstances if your manager requests that you do not take the leave because of urgent service needs and you agree to the request, you will be reimbursed the amount that you have paid for the additional purchased leave which has not be taken. Alternatively you may be able to agree with your manager a mutually convenient time to take the leave at a different time within the leave year.
35. If you leave the council you will be reimbursed for any outstanding additional annual leave purchased and not taken. For any purchased leave taken but not yet paid for the amount will be reclaimed from your final salary.

Sickness

36. If you are unable to take your purchased annual leave due to sickness a discussion will need to take place with your line manager to agree whether the leave can be taken at a different time or whether you can be reimbursed.
37. If it is not possible for you to take your purchased annual leave at another time the deductions will stop and you will be reimbursed for the deductions taken to date.

Maternity/adoption and paternity leave

38. In the case of maternity/adoption or paternity leave if you have purchased annual leave and payments have been deducted for leave not yet used you will be reimbursed. For purchased annual leave taken but not yet paid for the amount will be reclaimed from you. You will not be able to carry additional leave forward to when you return from maternity / adoption / paternity leave.

Redundancy

39. If you are made redundant you will be reimbursed for any purchased leave not taken for which deductions have already been made. For any purchased leave taken but not yet paid for the amount will be reclaimed from your final salary.

Pension implications

40. Purchase of annual leave is treated as unpaid leave for pension purposes and will result in a loss of pension unless you make an election to pay additional pension contributions (APCs).
41. If you wish to make up the lost pension via an APC, Wiltshire Council will fund $\frac{2}{3}$ of the cost and you will be required to pay $\frac{1}{3}$ of the cost of the APC.
42. Payroll will send you a quote for the cost of the APC and you will have 30 days to decide if you want to proceed with the deductions being made. If you do not notify payroll within 30 days that you want to proceed with the deduction the council will not pay the $\frac{2}{3}$ cost and you will be responsible for the full cost.
43. Once confirmation is received that you want to proceed with paying the APCs the deductions will be taken from your salary in the next appropriate payroll month.
44. You must state on your application form for purchase of annual leave whether you intend to purchase APCs for the period of your unpaid leave.
45. If you choose not to purchase an APC then this period of service will not count as qualifying and reckonable service for pension purposes.

Roles and responsibilities

46. **Employee responsibilities**
 - Discuss your request for purchased additional leave with your manager prior to submitting an application form.
 - Submit the application form to your manager before the closing date of the application window.
 - Note that by requesting the purchase of annual leave you will have deductions from your salary for the cost of the leave.
 - Take responsibility for managing your own leave to ensure that all your leave, additional purchased leave and annual leave, is taken before the end of the leave year.

- If applying for another job with the council inform the recruiting manager that you have an arrangement for additional leave in place.
- Ensure you fully consider the financial implications of the monthly deductions from your salary.
- Ensure you fully consider the implication for your pension and make sure you understand the options to buy back lost pension entitlement.

47. **Line manager responsibilities**

- Ensure employees have been given the opportunity to request their standard annual leave prior to agreeing any purchases of annual leave. This means that the booking of standard annual leave takes precedence over purchased annual leave.
- Assess the request taking into account service needs and the ability for additional leave to be accommodated within the employee's leave year.
- Discuss the application with your employee and if necessary discuss the possibility of alternative dates.
- Assess all applications at the end of the application window period. If there is a difficulty with requested dates discuss the possibility of alternative dates with individual employees.
- If a number of your employees want the same periods of leave you could discuss the situation with your team to see if a compromise can be reached.
- Treat all applications equally. On HR Direct there is guidance and information on [Equality and diversity](#)
- Ensure proper management of the employee's leave throughout the year in order to ensure that all leave including additional purchased leave is taken prior to the end of the leave year.
- If you are unable to approve the request explain the reasons to your employee and clearly outline these on the application form.
- Complete the application form whether the request is approved or not and send to policyandreward@wiltshire.gov.uk

48. **HR responsibilities**

- Provide guidance to line managers on queries relating to this policy.

- Carry out eligibility checks to ensure employees earn at least the national minimum wage after the deductions for annual leave.
- Monitor all applications and complete the spreadsheet with information on whether applications have been approved or not and detailing reasons for non-approval.
- Email the manager and the employee to confirm if they meet with the minimum requirements and their application can proceed or not.
- Forward approved applications to payroll for processing.

Definitions

Equal Opportunities

This policy has been [Equality Impact Assessed](#) to identify opportunities to promote equality and mitigate any negative or adverse impacts on particular groups.

If appropriate:

Managers will make any necessary adjustments to ensure that all employees are treated fairly. For further information see the [guidance on equal opportunities](#).

Legislation

This policy has been reviewed by an external legal organisation to ensure compliance with (the above legislation and) our statutory duties.

Advice and guidance

If you require help in accessing or understanding this policy (or completing any of the associated forms) you should contact your line manager or trade union representative if you are a member.

If, due to the nature of your query, it is not appropriate to contact your line manager you should contact your head of service who will nominate an appropriate manager or colleague to help you.

See [guidance for managers – giving advice on policies](#).

Further information

There are a number of related policies and procedures that you should be aware of including:

- [Annual leave and bank holiday entitlement policy](#)

For further information please speak to your supervisor, manager, service director or contact your [HR case adviser](#).