

Swanley Town Council

Civic Centre, St Marys Road, Swanley, Kent, BR8 7BU

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PERSONNEL

14th June 2018

Dear Member

A meeting of the above committee will be held at the Council Chamber, Civic Centre on **Wednesday 20th June 2018 from 7:30pm** or at the conclusion of the public participation session.



Mr S Nash
CEO / Town Clerk

Committee Members: (Chair) Cllr L Dyball, (Vice Chair) Cllr N Scott,
Cllr C Barnes, Cllr L Gaire, Cllr S Gaire, Cllr E Komolafe,
Cllr T Searles, Cllr H Willingale

PUBLIC PARTICIPATION

If required, the meeting will be preceded by a public participation period of up to 15 minutes in total at 7:30pm. Members of the public are also entitled to speak, during the meeting, on agenda items only and with express permission from the Chairman / Mayor. Those wishing to speak on an Agenda item must indicate this during Public Participation.

RECORDING (AUDIO AND / OR VIDEO OF COUNCIL MEETINGS AND USE OF SOCIAL MEDIA

During this meeting the public are allowed to record the Committee and Officers from the front of the public seating area only, providing it does not disrupt the meeting. Any items in the exempt Part of an agenda cannot be recorded as no recording device is to be left behind. If another member of the public objects to being recorded, the person(s) recording must stop doing so until that member of the public has finished speaking. The use of social media is permitted, but all members of the public are requested to switch their mobile phone devices to silent for the duration of the meeting.

MOBILE PHONES

Member of the public are reminded that the use of mobile phones (other than on silent) is prohibited at Town Council and Committee meetings.

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

3. MINUTES OF THE PREVIOUS MEETING

To approve as correct the Minutes of the Meeting held on Wednesday 21st June 2017

4. LEAVE PURCHASE SCHEME

To approve Leave Purchase Scheme

Date of next meeting – 19th September 2018

If you would like further information on any of the agenda items, please contact Mr Steve Nash, on 01322 611663 or snash@swanleytowncouncil.gov.uk

ANNUAL LEAVE PURCHASE SCHEME

1. Introduction

This report outlines the issues around allowing employees to trade annual leave and the possible benefits that allowing employees to buy additional annual leave may have for the Council at a time when budgets are constrained and the financial outlook for the public sector is difficult. This report makes recommendations only in respect of the purchase of annual leave by employees.

The policy principles for an Annual Leave Purchase Scheme are proposed for approval in Section 3 of this report and a draft Scheme based on these principles is attached at Appendix 1.

2. Background

Some examination of the process has previously been undertaken into the general principles of trading annual leave i.e. both the buying and selling of leave, with a view to introducing a scheme in the Council.

Whilst there are advantages to both the Council and its employees in introducing a scheme whereby leave may be traded, primarily the benefits are for employees in having increased flexibility to take more (or less) leave in any one leave year, or to regularly have more (or less) leave than their current entitlement.

For the Council, there is a benefit in allowing employees to buy more leave. Whilst this means the employee is available for less work over the year, the Council benefits from reduced staffing costs. Introducing a scheme now, in difficult times, when budgets are constrained, may help to reduce staffing costs without adversely affecting service delivery or the overall establishment. It may also act as a useful recruitment and retention tool at a time when enhancing pay will be difficult.

In addition, it may help sickness figures by reducing the number of 'sick' days that individuals claim which are often not sick related at all and may actually be closer related to personal needs such as family events, sporting events and such like. Some individuals may feel forced into 'pulling a sickie' if they have insufficient leave or TOILS left which would allow them time off.

Employment law must be adhered to when determining the policy principles for trading leave, e.g. all employees are entitled to a statutory minimum of 28 days annual leave (including bank holiday entitlement) and therefore a scheme allowing the selling of leave would be limited to the selling of leave in excess of this statutory minimum. These and other human resource implications have been considered in the proposed policy principles detailed in Section 3 below.

3. Proposed Policy

In the current economic climate, proposals for trading leave have been limited to a scheme for the purchase of leave only.

It is therefore proposed that the following policy principles be approved and used as the basis for the implementation of an Annual Leave Purchase Scheme. The reasons for the proposals are given alongside each policy principle.

Annual Leave Purchase Scheme - Proposed Policy Principles

Policy Principle	Reasons for Proposal
<p>1. SCOPE.</p> <p>The scheme will be available to all employees of the Council on set contracts.</p>	<p>Applications for leave would be made in the same way as normal and still require approval from line managers.</p>
<p>2. LIMIT ON THE AMOUNT OF LEAVE THAT MAY BE PURCHASED.</p> <p>There will be no set limit to the amount of leave that may be purchased. Approval of requests for the purchase of additional annual leave will depend upon the needs of the Council as is the case for the approval of any other annual leave request. Employees will be permitted to purchase whole or half days only. A request for purchasing additional leave will normally require details as to when the additional leave will be taken, which must be within the specified annual leave year.</p> <p>In order for the Scheme to be cost effective, it should not be necessary for the employee's additional absence to be covered by temporary or other staff.</p>	<p>This allows the most flexibility for employees and managers.</p> <p>This is required to allow for work planning and office cover, etc.</p> <p>But, if additional cover is required then the purchase scheme would cover this cost which it does not currently</p>

3. NOTICE AND PAYMENT IN ADVANCE.

In all cases payment will be required for the leave before the leave is taken and will therefore be subject to payroll administration timescales. Payment may be in the form of a lump sum or payment over fixed period. Ideally two calendar months would be required to allow for business planning and payroll deadlines.

The needs of the Council remain the key factor in determining whether additional leave will be granted and therefore the greater notice given by the employee, the greater the likelihood that the leave may be granted.

This allows flexibility where it is not known well in advance that additional leave is required. This would only apply in exceptional circumstances.

Leave over and above the 28 days would NOT be provided upon request but on availability and needs of the organisation.

4. EXPRESS CONSENT.

Express consent must be obtained from the employee to make the necessary deduction from wages before deductions are made and the additional leave is taken.

This is to avoid a claim to an Employment Tribunal for unlawful deductions from wages.

5. APPROVAL AND APPEAL.

It will be for the CEO and Civic Manager to agree to requests. Appeal will be to the appropriate person able to hear the appeal if time limited.

CEO or Civic Manager approval is consistent with the approval for other special leave requests. It is simply good practice to allow a right of appeal should a request be initially refused.

6. SICKNESS ABSENCE.

If an employee is unable to take their leave due to prolonged sickness, leave purchased through the scheme will be treated in the same way as contractual annual leave entitlement.

The law surrounding the treatment of leave, if an employee is unable to take their entitlement due to sickness, is complex and can be subject to change. The leave purchased under this scheme would be considered contractual and therefore subject to the same arrangements as any other contractual leave entitlement.

7. TERMINATION OF EMPLOYMENT.

On termination of employment, employees will be required to take any untaken annual leave purchased through the Annual Leave Purchase Scheme during their notice period. **Only in exceptional circumstances will payment be made in lieu.**

This is consistent with any outstanding annual leave entitlement on termination of employment.

It is proposed that the Civic Manager, in consultation with the Responsible Financial Officer, be given delegated authority to finalise, implement and review as necessary, a detailed Annual Leave Purchase Scheme based upon these policy principles. A draft Scheme is attached as Appendix 1 to this report.

Subject to Members approval to these proposals, it is intended that the Scheme is formally reviewed after 12 months of operation.

4. Consultation

Staff will be consulted over the detail of the scheme and additional supporting information may be provided to clarify outstanding questions and concerns.

5. Implementation

It is anticipated that the scheme will be finalised and implemented with effect from 1 April 2018 for use in the 2019 annual leave year.

Internal publicity for the new scheme will be through letters and staff briefings. Details of the scheme will also be incorporated into the recruitment information on the Council's website.

6. Summary of Financial Implications

It is anticipated that there will be modest financial savings arising from the purchase of annual leave across the Council, although it is difficult to gauge likely take-up of the scheme and therefore the scale of savings that could result. Where the scheme is taken up, the Council will benefit modestly from reducing staffing costs.

The main advantages will be in offering a flexible, employee benefit which may have modest financial savings for the Council.

7. Summary of Legal and HR Implications

The aim of the policy is being able to ensure that there is adequate cover at all times and assist in reducing the considerable costs of additional cover. There are no other legal implications arising from this report.

8. Summary of Other Implications

a) Environmental Impact

There are no environmental issues.

b) Community Safety

There are no community safety issues.

c) Equal Opportunities

The Annual Leave Purchase Scheme will apply to all employees (with the exception of casual staff), regardless of age, disability, gender, race, sexual orientation, religion or belief or level in the organisation.

d) Human Rights

There are no human rights issues.

Local Government Act 1972 - Section 100d List of background documents

None.

ANNUAL LEAVE PURCHASE SCHEME - DRAFT

1. INTRODUCTION

This document details the rules and procedures relating to the Annual Leave Purchase Scheme. This scheme will be monitored and reviewed as necessary by the Civic Manager in consultation with the CEO and Responsible Financial Officer.

2. SCOPE

This scheme is available to all employees of the Council with the exception of those on casual contracts.

3. SCHEME RULES

The following rules apply to the purchase of annual leave:

- 1) There is no limit to the amount of leave that may be purchased;
- 2) Approval of requests will depend upon the needs of the service and will be conditional upon no temporary or agency cover being required to cover the absence;
- 3) Leave may be purchased in whole or part days;
- 4) Leave once purchased may not be sold back to the Council;
- 5) The additional annual leave must be taken within the annual leave year for which it has been purchased;
- 6) A request for additional annual leave must include details of when the leave is to be taken (2 months in advance) to allow for business planning;
- 7) Payment for the leave must normally be made in advance of the leave being taken. This may be through a one-off lump sum or payment over a fixed period. Payment will be made through a deduction from salary;
- 8) Written consent will be required in advance of the deduction from salary and before the leave is taken;
- 9) Requests must be made to the relevant Line Manager / Responsible Officer;
- 10) Should a request be refused, there will be a right of appeal to the CEO / Civic Manager or Responsible Financial Officer. Appeals must be made in writing within ten working days of being notified that the request for additional leave has been rejected.

4. DEDUCTIONS FROM SALARY

Deductions from salary will be calculated on the basis of a daily rate of pay.

Pension contributions will be unaffected and pensionable service will be deemed to be continuous.

5. PROCEDURE

The following procedure will apply to the request and approval for additional annual leave:

- 1) Employees should complete Part 1 of the Request & Approval form attached as Appendix A and forward this to their line manager;
- 2) The line manager will complete Part 2 of the form indicating whether the additional leave can be supported, taking into account the needs of the service and whether the absence could be tolerated without the need for temporary or agency cover;
- 3) The line manager will forward the form to the Civic Manager for approval. The Civic Manager will complete Part 3 of the form and return it to the line manager;
- 4) The line manager will notify in writing / e mail the employee if the request for additional leave has been approved and advise when salary deductions will be made;
- 5) If the request is rejected, the line manager will inform the employee of this and ensure that they are aware of their right to appeal to the relevant senior officer
- 6) If the request is approved, the form will be forwarded to the Civic Manager and Responsible Financial Officer who will process the claim. The Request and Authorisation form will serve as the express authorisation from the employee to make the necessary deduction from salary.

ANNUAL LEAVE PURCHASE SCHEME - REQUEST AND APPROVAL FORM

PART 1 - EMPLOYEE REQUEST

I have read and understood the rules and procedures of the Annual Leave Purchase Scheme and make the following request to purchase additional annual leave under the terms of that Scheme.

NAME: _____ **EMPLOYEE NO:** _____

JOB TITLE: _____

DEPARTMENT: _____

I wish to purchase: (enter number of days) _____ **additional annual leave**

I plan to take this leave as follows: (detail the period or separate occasions)

I have requested the additional leave for the following reasons:

I would like to pay for this leave as follows: (payment must be made in advance of the leave being taken)

A one-off lump sum in (enter pay month): _____

OR

In equal instalments over (enter period): _____

Signed: _____ **Date:** _____

PART 2 - LINE MANAGERS COMMENTS

The line manager should provide a brief summary as to how the additional leave will impact on the needs of the service during the relevant period and confirm that temporary or agency cover will not be required to cover the absent worker.

Signed: _____ **Date:** _____

PART 3 - CIVIC MANAGER AUTHORISATION

Either:

I approve this request for the purchase of annual leave and can confirm that temporary or external cover will not be required to cover the absence:

Signed: _____ **Date:** _____

OR

I reject this request for the purchase of annual leave on the following grounds:

Signed: _____ **Date:** _____

Notes:

Part 1 - to be completed by employee and forwarded to line manager.

Part 2 - to be completed by line manager and forwarded to relevant Senior Officer.

Part 3 - to be completed by relevant senior officer and returned to line manager.

The line manager will confirm outcome to employee and forward form to Civic Manager for processing if request approved.

IMPORTANT: This scheme applies to the Purchase of Annual Leave only and does not apply to TOIL which is outlined in individual contracts. The council will only pay TOIL in exceptional circumstances