Annual Leave Purchase Scheme Frequently Asked Questions

1. How much annual leave can I buy?

You can choose to buy either 5 or 10 days additional annual leave. This is calculated pro rata for part time employees and is calculated in hours.

You will need to request authorisation from your line manager to purchase 5 or 10 days (amendment made for 2021/2022). They will consider requests depending on the requirements of the job, operational and effective service delivery.

2. How do I pay for the additional leave I have bought?

Payments will be deducted from your monthly pay in equal instalments which will end by 31 March each year. If you are on a temporary or fixed-term contract, payments will be made in equal instalments, spread over the lesser of: the remaining months of your contract *or* by 31 March each year.

3. How much will it cost?

Your salary will be reduced by the value of the number of days purchased multiplied by the daily or hourly rate you are paid at the scheme start date (e.g. 1 April).

Please see the examples at the end of this document for more information. <u>These are for guidance only.</u> We are unable to confirm the exact amount that will be deducted until an application is processed.

4. What is the impact on my pension?

Any additional annual leave that you have bought will be classed as 'authorised unpaid leave of absence'. Therefore pension contributions are not automatically paid.

You can choose to buy the 'lost' pension through Additional Pension Contributions (APCs). This is to be paid as a lump sum.

See https://www.lgpsmember.org/more/apc/index.php for more information. This includes a calculator and a form to download, sign and send to Employee Services - Payroll Team.

5. How do I apply to purchase annual leave?

Complete the application form and hand this to your line manager to sign (to purchase 5 days annual leave) or consider (to purchase 10 days annual leave) before the deadline.

6. I work part-time, how does this apply me?

All entitlements mentioned will apply to you on a pro-rata basis. This includes if you work a condensed week of 37 hours over 4 days.

If you work 18.5 hours per week, then you are able to apply to purchase 18.5 hours annual leave (equivalent to 5 days for a full time employee) or to purchase 37 hours annual leave (equivalent to 10 days for a full time employee).

7. I have a birthday annual leave year, can I still purchase annual leave?

Yes. By requesting to purchase annual leave however, you agree to change your annual leave year to 01 April to 31 March. Your existing annual leave entitlement will be calculated on a pro rata basis to work out the difference between the leave years.

For example, if your leave year runs from October to September and your entitlement is 25 days, your entitlement from October to March (birthday month to the end of the financial year leave period) would be calculated.

25 days leave ÷ 12 months (full year) = 2.083 days leave per month.

2.083 days leave per month x 6 months (October to March) = 12.5 days.

You would deduct any annual leave you have taken from this 12.5 days. If there is any left over, it will be added to the annual leave you have bought (5 or 10 days) and added to the new entitlement of 25 days for your new leave year of April to March.

8. What happens if I change my mind after my annual leave purchase request has been approved?

Once an application has been accepted it is a binding agreement and cannot be altered.

9. Will my payslip look any different?

The monthly deduction will show on the payment side against Annual Leave Purchase.

10. Will I get a letter?

Yes, you will receive a letter which outlines the monthly deduction amounts and duration. Once the monthly deductions are complete your gross pay will revert back to how it was prior to the scheme (with any pay award or pay progression that applies).

11. How can I take this leave?

Any purchased annual leave will be added to your annual leave balance and must be used before any other annual leave entitlement. The normal approval process for requesting and taking leave applies.

12. What if I have bought additional annual leave and I then go on maternity leave or long-term sick?

Leave purchased through the scheme will be treated in the same way as contractual annual leave entitlement.

13. What happens if I get a promotion and my grade changes throughout the year?

Your repayments will remain the same regardless of any changes to your salary or contractual arrangements.

14. What happens if I increase or decrease my contractual hours throughout the year?

Your repayments will remain the same regardless of any changes to your salary or contractual arrangements.

15. What if I leave employment with the Vale of Glamorgan Council?

Any remaining costs will be recovered in full from your final salary payment.

16. What happens if I have not taken all of my annual leave and additional annual leave by the end of the holiday year?

The usual arrangements for carrying over annual leave will apply i.e. a maximum of 10 days annual leave may be carried over.

Annual leave purchase calculation examples

The spinal column points, annual salary and hourly rates can be found on StaffNet.

17. Example – Full time employee (37 hours over 5 days per week)

Employee A

• Employee A is contracted to work 37 hours per week over 5 days. They earn £20,253 per annum (Grade F, spinal column point 22). This is £10.50 per hour.

Employee A applies to purchase 5 days annual leave (37 hours) from April.

£10.50 x 37 hours = £389 approximate cost

Deductions = £389 over 12 months repayment = £32.50 approximate repayment per month.

Enter your details onto www.lgps2014.org/content/how-do-i-buy-extra-or-lost-pension for more information about lost pension.

 If Employee A were to apply to purchase 10 days annual leave (74 hours) from April:

£10.50 x 74 hours = £777 approximate cost

Deductions = £777 over 12 months repayment = £65 approximate repayment per month.

Enter your details onto www.lgps2014.org/content/how-do-i-buy-extra-or-lost-pension for more information about lost pension.

18. Example – Part time employee (fewer than 37 hours a week or those working compressed hours).

Employee B

 Employee B is contracted to work 22.5 hours per week over 3 days. They earn £12,316 pro rata per annum (£20,253 full time equivalent) (Grade F, spinal column point 22). This is £10.50 per hour.

Employee B applies to purchase 22.5 hours annual leave (equivalent to one working week) from April.

£10.50 x 22.5 hours = £236 approximate cost

Deductions = £236 over 12 months repayment = £20 approximate repayment per month.

Enter your details onto www.lgps2014.org/content/how-do-i-buy-extra-or-lost-pension for more information about lost pension.