

VALE OF GLAMORGAN COUNCIL
ANNUAL LEAVE PURCHASE SCHEME



1. INTRODUCTION AND PURPOSE

- 1.1. As part of a continued commitment to help employees to balance their work commitments with their home life, the Council operates a scheme allowing employees to purchase additional annual leave. This scheme does not replace or restrict the use of any existing unpaid leave practices.
- 1.2. This arrangement does not form part of an employees' contract of employment. The scheme may be amended, withdrawn or suspended at any time at the discretion of the Council.

2. SCOPE

- 2.1. This scheme is available to all employees, except:
 - Elected Members
 - Employees contracted to work term-time only
 - Employees under teacher's terms and conditions or who pay into the Teachers' Pension Scheme
 - Employees of a school Governing Body (ies)
 - Employees covered by a pre-existing arrangement for annual leave, for example, under a TUPE agreement
 - Agency workers
 - Employees where deductions will take their monthly payment below the National Living Wage for their contracted hours

3. ELIGIBILITY

- 3.1. Subject to 2.1, this scheme is available to all employees of the Council who have completed 9 months' continuous service at the time of making the request.
- 3.2. Employees on a temporary or fixed-term contract may access the scheme, subject to 2.1 and 3.1. Payment for any additional annual leave will be made in equal monthly instalments, spread over the lesser of: up to the end of the financial year (31 March) or the remaining months of the temporary contract.

4. KEY PRINCIPLES

- 4.1. Employees can apply to purchase either 5 or 10 days additional annual leave (pro rata for part-time employees) to use in their next leave year.
- 4.2. Purchased annual leave is added to the employee's annual leave balance and used before other annual leave entitlement. Requests to take annual leave must be authorised by the employee's line manager in the usual way.

- 4.3. Any application to purchase 5 days annual leave (pro rata for part-time employees) will be subject to manager approval (amendment made for 2021/2022). The 'annual leave purchase scheme application form' should be completed by the employee and signed by their line manager (for their information), before being sent to Human Resources.
- 4.4. Requests to purchase 10 days annual leave (pro rata for part-time employees) are for approval at the manager's discretion. They will be considered depending on the requirements of the job and the operational needs of the Service.
- 4.5. Once an application has been approved, it is a binding agreement between the Council and the employee. Purchased leave may not be 'sold back' to the Council.
- 4.6. By requesting to purchase annual leave, the employee agrees to salary deductions being made in equal monthly instalments up to 31 March in each year.
- 4.7. As the employee's monthly salary is reduced, the amount of tax and national insurance is also reduced. This may affect any statutory payments to which they may have previously been entitled to. The employee will be responsible for seeking independent financial advice where appropriate.
- 4.8. The value of the deductions will stay the same over the period regardless of any changes to the employee's pay or contractual arrangements.
- 4.9. If an employee goes on maternity/paternity/adoption leave or sick leave, salary deductions continue to be made. If the employee's monthly salary is less than the statutory payment amounts, then deductions may be suspended and recovered at a later date.
- 4.10. Employees whose annual leave year runs from the month in which their birthday falls, will change to an annual leave year from 01 April to 31 March to take advantage of this scheme. This is necessary to comply with Local Government Pension Scheme (2014) regulations which stipulate that the payment and repayment of any deductions from pay must all be completed within the same financial year. The appropriate pro rata of annual leave entitlement will be calculated to facilitate this change.

5. APPEAL

- 5.1. If a request is turned down and the employee is dissatisfied with the decision, the employee should notify their line manager, in writing within five working days, of their wish to appeal the decision. Their line manager will acknowledge receipt and refer the appeal to their Chief Officer (Head of Service/Operational Manager), not previously involved in the initial decision. The Chief Officer determining the appeal will consider previous documentation and if necessary meet with the employee.
- 5.2. The decision of the Chief Officer determining the appeal will be given in writing and a copy of the appeal decision will be sent to the Head of Human Resources.
- 5.3. There shall be no further right of appeal.

6. PENSION IMPLICATIONS

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

- 6.2. If the employee is a member of the Local Government Pension Scheme (LGPS), they can choose to 'buy back' any lost pension contributions as a lump sum through Additional Pension Contributions (APC). This must be within 30 days of the employee's request being approved.
- 6.3. If the employee chooses to 'buy back' any lost pension 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.
- 6.4. Further information can be found on www.lgps2014.org/, along with a calculator, form to download, sign and send to Employee Services – Payroll Team to instruct the repayments LGPS to be administered by Cardiff and the Vale Pension Fund.

7. LEAVING THE COUNCIL

- 7.1. Employees who leave the Council will have any remaining costs recovered in full from their final salary payment.

8. MONITORING AND REVIEW

- 8.1. The scheme will be reviewed in December each year to decide whether to extend, remove or amend this option for the following year.

9. FURTHER INFORMATION

- 9.1. Further information is available as follows from:
 - HR Officer (see StaffNet for details)
 - Manager/Supervisor
 - Cardiff and Vale Pension Fund (Tel 02920 872330)
 - Local trade union representative