Reduced Working Year Policy

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Governance or Assurance Committee: Staff Governance Committee
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Reduced Working Year Policy

CONTENTS

i) Consultation and Distribution Record
ii) Change Record

1. INTRODUCTION

2. AIM, PURPOSE AND OUTCOMES

3. SCOPE
   3.1 Who is the Policy Intended to Benefit or Affect?
   3.2 Who are the Stakeholders?

4. PRINCIPAL CONTENT
   4.1 Operation of the Policy
   4.2 Application
   4.3 Relationship with other Policies/procedures and Terms and Conditions of Service
   4.4 Calculation of pay
   4.5 Annual leave when on maternity / adoption / sick leave
   4.6 Moving to another post / termination of contract

5. ROLES AND RESPONSIBILITIES

6. RESOURCE IMPLICATIONS

7. COMMUNICATION PLAN

8. QUALITY IMPROVEMENT – MONITORING AND REVIEW

9. EQUALITY AND DIVERSITY IMPACT ASSESSMENT

10. FAQs

11. REFERENCES

Appendix 1 – REDUCED WORKING YEAR CALCULATOR
### CONSULTATION AND DISTRIBUTION RECORD

**Contributing Author / Authors**
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- Senior HR Advisor

**Consultation Process / Stakeholders:**
- Liz Airns - GMB
- Elaine Anderson – HR Manager
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- Sylvia Stewart - Unite
- Tom Wilson - RCN

**Distribution:**
- Staff Briefing
- NHSL Intranet: Firstport

### CHANGE RECORD

<table>
<thead>
<tr>
<th>Date</th>
<th>Author</th>
<th>Change</th>
<th>Version No.</th>
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<tbody>
<tr>
<td>February 2014</td>
<td>Ann Marie Campbell</td>
<td>Review &amp; Update</td>
<td>2</td>
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<tr>
<td>January 2016</td>
<td>Ann Marie Campbell, Elaine Anderson</td>
<td>Review &amp; Update</td>
<td>3</td>
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<tr>
<td>November 2016</td>
<td>Elaine Anderson</td>
<td>Clarification on entitlement to make it easier for staff to understand. Request to be made under the Flexible Working Policy</td>
<td>4</td>
</tr>
<tr>
<td>May 2018</td>
<td>Deputy HRD</td>
<td>Policy reviewed against GDPR legislation:- no change required</td>
<td></td>
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<tr>
<td>October 2018</td>
<td>Head of HR Employee Relations</td>
<td>TBC</td>
<td>5</td>
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1. **INTRODUCTION**

NHS Lanarkshire is committed to equal opportunities and the promotion of flexible, employee-friendly work practice opportunities for all its staff. It is hoped that the implementation of this policy will create an environment which allows all employees to utilise their skills, talents and experiences, thereby allowing the organisation to both recruit and retain a well-motivated and committed workforce.

Flexibly working a reduced working year can take a number of forms. One of the most common examples is term time working, which is a formal agreement whereby the duties and responsibilities of a post are carried out (either full or part time) during school terms. While it is recognised that the majority of applications under this policy will be in line with term time working, this policy is not limited to term time working.

Reduced year working allows employees to remain on a permanent contract and gives them unpaid leave at pre-agreed times (such as school holidays). The salary of the post is reduced proportionately to the hours worked by the post holder. These principles would apply regardless of whether a reduced working year is explicitly linked to school terms or not.

2. **AIM, PURPOSE AND OUTCOMES**

This policy aims to:
- Create an environment which will allow all employees to utilise their skills, talents and experiences and thereby allow NHS Lanarkshire to both recruit and retain a well-motivated and committed workforce
- Ensure equality of treatment for all staff
- Allow improved work-life balance

The purpose of this policy is to provide an opportunity for staff to work during certain agreed periods of the year while maintaining their career prospects and personal development.

The successful outcome would be were both service needs are met/maintained whilst operating reduced working year practices and assisting employee’s in an improved work-life balance.

3. **SCOPE**

3.1 **Who is the Policy intended to Benefit or Affect?**

This policy applies to all employees of NHS Lanarkshire irrespective of race, gender, age, disability, sexual origin, marital status, current hours of work, length of service, or religious belief.
Reduced Working Year Policy

3.2 Who are the Stakeholders?

All employees of NHS Lanarkshire.

4. PRINCIPAL CONTENT

4.1 Operation of the Policy

A reduced working year contract is a permanent contract (unless the post is only temporary/fixed term), which continues during the agreed periods of paid and unpaid leave. The employee can either be a full time or part time employee during this time of work.

Employees on reduced working year contracts are required to take their contractual entitlement to paid annual leave during the pre-agreed periods of leave e.g. school holidays. A maximum of five days’ contractual paid leave may be held to be taken with prior notice at times out with holiday periods for needs which may arise from time to time.

Each employee must agree with their manager how much additional unpaid leave is required to cover the leave period. These arrangements should be made at the commencement of the reduced working year agreement, reviewed annually and amended accordingly to accurately reflect any changes required in the amount of leave required. **Please note:** A new Reduced Working Year Calculation must be made each year and a change form sent to payroll/amendment made in the eESS system in March to confirm the contractual hours to be paid/allow any amendments to be made for the new financial/annual leave year. See Appendix 1.

Reduced working year employees are required to work the agreed amount of hours (annualised) in each year (1 April to 31 March), although the actual hours worked in each week may vary.

4.2 Application

An application to request a reduced working year contract is open to all employees as well as prospective employees.

Any employee, who wishes to request working a reduced working year contract should, in the first instance, put their request in writing in line with NHS Lanarkshire’s Flexible Working Policy.

4.3 Relationship with Other NHS Lanarkshire Policies and Terms & Conditions of Service

Employees on reduced year working contracts are entitled to access NHS Lanarkshire policies/procedures such as Special Leave, Maternity Leave/Pay, ordinary Parental Leave, Shared Parental Leave, etc. where circumstances warrant.
Holding a reduced working year contract does not negate any entitlements under agreed NHS Lanarkshire policies and procedures or under nationally agreed terms and conditions of service, although payment and entitlement may be on a pro-rata basis.

4.4 Calculation of Pay

Once an employee has agreed with their manager how much unpaid leave will be taken, their paid annual leave allocation (inclusive of public holidays due on a pro-rata basis) will be recalculated. This calculation will take account of the unpaid period of leave (no annual leave will be accrued during unpaid leave). Employees will receive payment for annual leave, which will be paid at the same time as their normal pay.

Following this calculation, the annual salary will be calculated on a pro-rata basis for the period of paid employment. This figure will then be paid in twelve equal payments throughout the year. Employees should note that as their pay has been averaged and is paid throughout the year in equal instalments, this may affect the calculation of, and entitlement to, other benefits.

In exceptional circumstances, and after discussion with line management and a member of the HR Department, an employee may be allowed to take an additional period of unpaid leave. This may occur for an unplanned period of short leave. However, dependant on the circumstances, it may be more appropriate for the employee to use parental or special leave. Depending on the length of additional unpaid time off required, this may impact on annual leave due.

If an employee usually pays superannuation contributions, these will be based on the employee’s pro-rata salary.

Appendix 1 gives details of how to calculate an individual’s pay. This detail is also available in Excel format to aide calculation and can be found on the Human Resources Firstport site.

4.5 Annual Leave When on Maternity/Adoption/Sick Leave

Staff are paid for annual leave throughout the year and therefore are not entitled to additional payment for this at a later date.

For adoption, maternity or shared parental leave the employee must apply for this leave through the appropriate policy.

The employee will not be entitled to additional holiday pay (as they will already have been paid for this) however, they may be entitled to sick/maternity/etc pay.
Reduced Working Year Policy

Employees who are on a term time contract will accrue annual leave while on maternity or sick leave during school holidays. This calculation will be based on the number of school holidays during the absence and the employee’s annual leave entitlement (available via the term time calculator on Firstport).

To calculate the annual leave due, managers/team leaders should calculate the number of school holidays which fall in the year, followed by the staff member’s annual leave entitlement, which can be calculated using the online annual leave calculator. To calculate leave entitlement during the staff member’s absence, annual leave entitlement should be divided by the number of school holidays which fall in the year, and then this figure should be multiplied by the number of school holidays which fall during the absence. Please note – this calculation should be pro-rata for part time staff.

Maternity, adoption and shared parental leave will be based on occupational entitlement.

Sick leave will be based on the statutory entitlement of 28 days i.e. individual only entitled to carry over the difference between any annual leave and/or public holidays taken before sick leave began and the statutory entitlement.

4.6 Moving to Another Post/Termination of Contract

Employees who either leave NHS Lanarkshire or move to another post which is not a reduced working year contract, may have received an overpayment in their salaries. In these cases NHS Lanarkshire will recoup any overpayment from the final salary. Or if remaining in employment with NHS Lanarkshire monies will be recouped over an agreed period.

In all cases the reduced working year agreement will continue until varied or terminated by agreement.

If a staff member’s contract is terminated and they are entitled to notice, payment in lieu of notice will be paid based on contracted hours.

Please note: staff members should contact payroll to ensure they have not overtaken or undertaken their annual leave entitlement prior to their notice period.

5. ROLES AND RESPONSIBILITIES

Employees must:
• Ensure they are familiar with the policy and procedures
• Comply with the policy, seeking clarification where required
• When considering applying for reduced year working, do so timeously
Reduced Working Year Policy

Managers must
- Ensure they communicate with staff about the policy
- Give due consideration to applications and accommodate where feasible
- Consistently implement the policy at their local level
- Keep accurate records

Staff Side Representatives must
- Support the principles and procedures in the policy
- Act in accordance with NHS Lanarkshire’s Partnership Agreement

Human Resources Staff must
- Provide expert advice and support on the application of the policy
- Monitor and review the policy

6. RESOURCE IMPLICATIONS

None identified.

7. COMMUNICATION PLAN

This review of this policy will be communicated using the weekly staff briefing and will be available on Firstport.

This policy will also be discussed at the appropriate management team meetings and local partnership fora.

8. QUALITY IMPROVEMENT – MONITORING AND REVIEW

This policy will be monitored by the HR directorate and reviewed in conjunction with the Joint Policy Forum and the Human Resources Forum.

9. EQUALITY AND DIVERSITY IMPACT ASSESSMENT

This policy meets NHS Lanarkshire’s EDIA (tick box)

10. FREQUENTLY ASKED QUESTIONS

1. A member of my team has been on leave (either sick or maternity) during school holidays, are they entitled to annual leave back?

   Yes – employees who are on a term time contract will accrue annual leave while on maternity or sick leave during school holidays.
2. **How do I calculate how much annual leave the employee is due back?**

You need to calculate the number of school holidays which fall in the year, followed by the staff member’s annual leave entitlement (using the online annual leave calculator). Annual leave entitlement should be divided by the number of school holidays which fall in the year, and then this figure should be multiplied by the number of school holidays which fall during the absence.

An example calculation of this calculation is below:

Staff member X is contracted to 21 hours per week, and goes on maternity/sick leave. The staff member’s leave entitlement is 113.5 hours and 71 school holidays fall in the full year. To find out their annual leave entitlement during one day of school holidays, the following calculation should be applied:

\[ \frac{113.5}{71} = 1.6 \text{ hours} \]

This calculation shows that the staff member is entitled to 1.6 hours of annual leave per day during the school holidays which fall during their absence. During staff member X’s maternity/sick leave, 50 school holidays fall. Therefore, for staff member X, the following calculation will give leave entitlement:

\[ 1.6 \times 50 = 80 \text{ hours} \]

The above calculation shows that the staff member will be entitled to 80 hours of annual leave upon their return to work.

3. **A staff member in my team, who is on a term-time contract has been working additional hours – is this classed as overtime or excess hours?**

In line with NHS Lanarkshire’s terms and conditions, if a member of staff works over 37.5 hours in a week, they are entitled to overtime. This also applies to a member of staff on a term time contract.

For example, staff member X is on a term-time contract and is contracted to 22.5 hours per week but physically works 37.5 per week during non term-time. If staff member X worked an additional 2 hours over and above the 37.5 hours they work in one week (physically working 39.5 hours), they would be entitled to 2 hours of overtime.
11. REFERENCES

Appendix 1 - Reduced Working Year Calculator (available in Excel format)