



Buying and Selling Annual Leave Policy

1. INTRODUCTION:

- 1.1 The Company operates a policy permitting employees to buy and sell annual leave entitlement. This policy sets out the arrangements for this process. This policy is implemented on a non-contractual basis meaning that there is no contractual right for an employee to buy or sell annual leave.

2. COMPLYING WITH THE LAW:

- 2.1 The Working Time Regulations 1998 specify that employees must be given a minimum of 5.6 week's paid annual leave, which can include Public and Bank Holidays, though the Regulations do not give employees a specific right to take leave on Public and Bank Holidays.
- 2.2 The Company is committed to ensuring that employees receive opportunities to take at least the legal minimum in order to comply with the Regulations. This means that this policy is not designed to result in an employee receiving less than the statutory minimum entitlement in any full holiday year.

3. DEFINITIONS:

3.1 Selling Annual Leave:

Selling annual leave means that an employee converts the worth of a day's annual leave into its financial equivalent. The employee's annual leave entitlement will be reduced by the amount of days he/she wishes to sell, and will receive the equivalent amount of money in their pay.

Employees may sell up to a maximum of **five days'** leave per leave year subject to the statutory minimum entitlement bar.

3.2 Buying Annual Leave:

Buying annual leave means that an employee 'pays for' extra days of annual leave from their monthly pay so that their entitlement is increased, and their pay is deducted by an amount of money equivalent to the worth of the days 'bought'.

Employees may buy up to a maximum of **five days'** leave per leave year.

4. CALCULATING THE VALUE OF A DAY'S ANNUAL LEAVE:

- 4.1 The Company will make the final decision on which elements of pay are to be included in a day's pay.
- The sale of annual leave will be at the equivalent rate of pay had the employee been on holiday. Similarly, annual leave is bought at the equivalent rate of a day's pay for each day bought.

5. HOW TO BUY ANNUAL LEAVE:

- 5.1 If employees wish to buy additional annual leave, he/she must give **28 days' notice** of this by submitting a request via their line manager, setting out the following information:
 - The number of days the employee wants to buy (no more than five days in any given holiday year).
 - The days the employee wants to take the leave bought.
 - Whether the employee wishes the additional annual leave to be taken concurrently to their pre-booked contractual annual.
- 5.2 Once a request has been received, the line manager will make a decision over whether it can be accommodated. The line manager will have the final say over whether the request is to be authorised, but will take various matters into consideration e.g:
 - whether the required notice has been given, and
 - whether the needs of the business would permit leave to be taken at the desired time etc.

The decision will be confirmed in writing to the employee.

- 5.3 If the request is authorised, the line manager will inform HR and Payroll of the arrangements, who will then inform the employee of the amount of money to be deducted from their pay, and the date it will be deducted.

6. HOW TO SELL ANNUAL LEAVE:

- 6.1 If employees wish to sell annual leave, he/she should make a request to his/her line manager informing them of:
 - the number of days the employee wishes to sell (no more than five days); and
 - the reason for the request.

- 6.2 Once a request has been received, the line manager will make a decision over whether it is to be authorised. The line manager will have the final say over whether the request is to be authorised, and **employees should not expect automatic authorisation**.
- 6.3 Requests will only be considered if they are **made by 30th November each holiday year**. In addition, the line manager will consider all relevant factors when making the decision, which will be confirmed in writing to the employee.
- 6.4 If the request is authorised, the line manager will inform HR and Payroll of the arrangements, who will then inform the employee of the amount of money to be paid, and the date it will be paid.

7. RETRACTING A REQUEST:

Once a request for either buying or selling has been approved, employees will not be allowed to retract their request.

8. DISSATISFACTION:

If an employee is dissatisfied with the line manager's decision, he/she can lodge an appeal, which will be dealt with by someone more senior than the line manager. This decision will then be final and no further appeal allowed.