

## Guidance Notes on the calculation of leave entitlement (annual and bank holidays) for staff working part-time hours and/or partial year (eg. on 40 week contracts).

- Commencing from the leave year 1 September 2005 leave entitlement for staff working part-time hours and/or partial year will be calculated as a proportion of the full-time equivalent, all year round entitlement.
- This is to ensure fairness and equity in that all staff working part-time and/or partial year, **regardless of their actual weekly working pattern**, receive a proportionate entitlement to bank holidays, in addition to annual leave entitlement.

Example 1 should be used as the full-time equivalent basis for standard calculation purposes.

### **Example 1:**

Employee works 36.25 hours per week (7.25 hours per day) and is paid for 52 weeks of the year.

36.25 hours x 52 weeks = **1885 hours**

Entitlement to annual leave for an employee with less than 5 years service at 1 September = 26 days (equivalent to 5.2 weeks), based on 26 days x 7.25 hours = **188.5 hours**

Entitlement to bank holidays for full-time employee, on the basis of all year round = 8 days (equivalent to 1.6 weeks x 36.25 hours worked per week) or **58 hours** (equivalent to 8 x 7.25 hours)

4 Bank holidays occur on a Monday (1 x Easter, 2 x May, 1 x August)

1 Bank holiday occurs on a Friday (Easter)

3 Bank holidays vary (Christmas Day, Boxing Day, New Year's Day)

In effect a full-time, all year round, employee's **actual working hours** are calculated as:

$$\begin{array}{rcl} \text{Paid working hours} & = & 1885 \\ \text{less 188.5 hours annual leave and 58 hours bank holiday leave entitlement} & & \\ & = & 1638.5 \text{ hours } \mathbf{\text{actual working hours per year}} \text{ (or 45.2 weeks based on working 36.25 hours per week)} \end{array}$$

Employees working full-time have the option to take their annual leave entitlement as a 0.5 day, subject to Line Manager approval.

### Example 2:

An employee works part-time 29 hours per week, (0.8 full-time equivalent, or 4 days @ 7.25 hours per day) and is paid for 52 weeks of the year.

Entitlement to annual leave = 5.2 weeks (equivalent to 26 days) x 29 hours = 150.8 hours (equivalent to 0.8 of the full-time equivalent of 188.5 hours)

Entitlement to bank holidays = 1.6 weeks (equivalent to 8 days) x 29 hours worked per week = 46.4 hours (equivalent to 0.8 of 58 hours)

The same principle of calculation will be applied to any variation of a working pattern that is less than on a full time, all year round basis.

### Example 3:

An employee works part-time 20.00 hours per week and is required to work 40 weeks per year (partial year) between the 1 September and 31 August each year.

The fte (full-time equivalent) for this employee should be calculated as follows:

Actual working hours per week x weeks worked per year  
Actual working hours per week x weeks worked per year of full-time employee

$$= \frac{20.00 \times 40 \text{ weeks}}{36.25 \times 45.2 \text{ weeks}} = \frac{800 \text{ hours}}{1638.5 \text{ hours}} = 0.4882 \text{ of fte}$$

Therefore annual leave entitlement = 0.4882 x 188.5 hours = 92.03 hours. Bank holiday entitlement = 0.4882 x 58 hours = 28.31 hours

This employee would be required to work 40 weeks x 20.00 hours per week (equivalent to 800 hours) between the 1 September and the 31 August each year, but be paid for:

40 weeks @ 20.00 hours per week +  
(92.03/20.00 hours) equivalent to 4.6 weeks – annual leave entitlement  
+ (28.31/20.00 hours) equivalent to 1.4 weeks – bank holiday entitlement

Annual salary = (40 weeks + 4.6 weeks + 1.4 weeks), a total of 46.00 weeks per annum.

The remaining 6 weeks of a year would be unpaid, with the 46 weeks pay per annum being split into 12 equal monthly salary payments.

In summary:

The calculation of entitlement for employees working part-time and/or partial year has been formulated, with the approval of Unison representatives, on the basis of fairness and equity in relation to entitlement received as a full-time employee.

- If the work pattern for an employee working part-time falls on a bank holiday, this must be deducted from the bank holiday leave entitlement. If the entitlement is insufficient because of the employee's work pattern, then the time owed must be

- made up at some other stage within the same leave year or deducted from the annual leave entitlement for that year.
- If the work pattern of the employee working part-time does not necessitate them reducing all of their entitlement for bank holidays, then they can use any remaining entitlement at some other stage within the same leave year.
- If an employee works on a partial year contract (eg. 40 weeks), the pattern of the 40 weeks required to be worked **must be agreed with the Line Manager and documented** to ensure that the employee completes the contractual requirement in respect of the number of weeks to be worked within the period 1 September to 31 August each year.
- **Employees with more than five years service at the 1 September of a leave year**

will have the calculation of annual leave based on the 5 days additional entitlement applicable to their terms and conditions of employment

Eg. 31 days (equivalent to 6.2 weeks x number of hours worked per week if part-time)  
 33 days (equivalent to 6.6 weeks x number of hours worked per week if part-time)  
 27 days (equivalent to 5.4 weeks x number of hours worked per week if part-time)  
 29 days (equivalent to 5.8 weeks x number of hours worked per week if part-time)

- Employees on partial year contracts (eg. 40 week contract) with more than five years service at the 1 September of a leave year will receive their additional entitlement by means of reducing the actual period they are required to work. The additional leave entitlement due will be determined using the individual employee's fte (full-time equivalent) hours as the basis of the calculation.

Using Example 3, (where the employee works 20 hours per week x 40 weeks per year), with more than five years service at the 1 September of a leave year the employee would be entitled to an additional 17.69 hours (rounded to 18 hours) leave, based on  $0.4882 \times 36.25$  hours (5 days x 7.25 hours being the full-time equivalent additional entitlement). In effect this would mean that the actual period the employee would be required to work would reduce by 18 hours over the year, requiring them to work for

39 weeks @ 20 hours per week  
 1 week @ 2 hours

rather than complete 40 weeks @ 20 hours per week.

The same principle of calculation will be applied to any variation of the weekly working hours.