

APPENDIX 3 – ANNUAL LEAVE GUIDANCE

TO CALCULATE ANNUALISED WHOLE TIME EQUIVALENT SALARY (WTE) FOR TERM TIME ONLY COLLEAGUES

Pay for term time only colleagues is calculated annually pro-rata (based on the number of hours the colleague is contracted to work each week, the weeks worked over the year, and will include the proportional annual leave and bank holiday entitlement over the whole year (and paid in 12 equal monthly payments).

The annual salary paid to colleagues on a term time only contract includes payment for:

- The total number of hours worked each year across the defined number of term time weeks;
- The colleagues annual leave entitlement as appropriate for length of service, plus 8 general bank holidays, rounded up to the nearest half day.

To be able to calculate the annualised WTE salary for term time only colleagues, the following information is required:

- Contracted weekly hours (A)
- Number of actual weeks worked (B)
- Full time annual leave entitlement depending on length of service (C) – *refer to table below*

No. of Years' service	No. of hours per year based on 37.5 hours per week over 52.143 weeks	Agenda for Change Annual Leave Entitlement (by Days based on full time)	Bank Holidays (By Days based on full time)	Annual leave & Bank Holiday Entitlement (in hours based on full time)	Total hours available to work
Under 5 years	1955.36	27	8	$(27+8) \times 7.5=262.50$	$1955.36 - 262.50 = 1692.86$
After 5 years	1955.36	29	8	277.5	1677.86
After 10 years	1955.36	33	8	307.5	1647.86

This information should then be put into the following formula:

Hours worked per week (A)	x	Full time hours worked (37.5) x Number of weeks worked (B) (e.g. 40)
37.5		Total number of hours available to work (52.143 weeks x 37 ½) – (Annual leave + general public holidays in hours (C))

This gives a working formula as follows:

(A)	x	37.5 x (B)
37.5		1692.86 (C) i. Under 5 years' service 1677.86 (C) ii. After 5 years' service 1647.86 (C) iii. After 10 years' service

Example 1:

An employee who has a substantive full time contract, working 37.5 hours per week requests a term time only contract of 39 weeks. The employee has 6 years' service

$$\frac{37.5 \text{ hours per week}}{37.5} \times \frac{37.5 \times 39 \text{ weeks}}{1677.86} = 0.87\text{wte}$$

Example 2:

An employee who has a substantive part time contract, working 32 hours per week request a term time only contract of 42 weeks. The employee has 1 years' service

$$\frac{32 \text{ hours per week}}{37.5} \times \frac{37.5 \times 42 \text{ weeks}}{1692.86} = 0.79\text{wte}$$

In order to ensure that the correct payment is made to colleagues on a Term Time Only contract for hours worked, annual leave and general public holidays, managers need to complete the Term Time annualised WTE salary calculation, the Annual Leave entitlement calculation (TTO) & Contract Details Form. These forms can be found under the supporting documents section of the Trust's Leave and Pay Policy. Both calculation forms should be sent with the change form to the Workforce Information team and retained on the colleague's personal file.

Please contact the workforce information team on wah-tr.WorkforceInformation@nhs.net for advice and guidance on completing each calculation.

The colleague should receive an amendment to contract letter with the calculation forms enclosed and should be retained on the personal file.

Term Time Only – Annual Leave Entitlement Calculation Form

In order to calculate the annual leave entitlement for colleagues on Term Time Only contracts, managers need to establish the following and undertake the below calculation:

- A** Contractual hours per week – how many hours a colleague actually works across a working week;
- B** WTE annual leave entitlement (including bank holidays) for length of service – see annual leave ready reckoners.
- C** Term duration i.e. 38 or 39 weeks.

Step 1		
FTE annual leave including bank holidays in days	Divided by 5 (the normal workings days in week)	Equals FTE annual leave entitlement in weeks
Step 2		
52.14 (i.e. weeks in a year)	Minus FTE annual leave in weeks	Equals FTE working weeks in a year
Step 3		
FTE annual leave in weeks Multiplied by term weeks (38 or 39)	Divided by FTE working weeks	Equals Pro rata annual leave weeks* <i>[note – holiday entitlement must be no less than the statutory minimum of 5.6 weeks]</i>

*If required, the annual leave entitlement can be broken down into days: -

*Step 3A		
Total annual leave entitlement in weeks	Multiplied by Number of days worked in a working week	Equals Total annual leave entitlement in days

or hours: -

*Step 3B		
Total annual leave entitlement in weeks	Multiplied by Number of hours worked each week	Equals Total annual leave entitlement in hours

Please contact the workforce information team on wah-tr.WorkforceInformation@nhs.net for advice and guidance on completing each calculations



Form to record Term Time Only contract details

In order to ensure that the correct payment is made to colleagues on a Term Time Only contract for hours they contracted to work each week, the proportional annual leave and general bank holiday entitlements averaged over the whole year, please supply the following information:

Complete the form below and return it with the **commencement form** or **change form** when a colleague is put onto a Term Time Only contract:

Name of Colleague:	
Post Title:	
Commencement date of Term Time Only contract:	
Department:	
Weekly contracted hours:	
Number of actual weeks worked:	
Full time annual leave entitlement in hours based on length of service:	
Annualised WTE salary (as determined from WTE salary calculation form):	
Term time only annual leave entitlement in hours (as determined from the pro-rata annual leave calculation form):	

I confirm that my line manager has provided me with a copy of the calculations on the Annualised WTE salary form and the Term Time Only annual leave entitlement form.

Signature of EmployeeDate:

Managers SignatureDate.....

Copy to be retained on personal file.

Workforce Information colleagues only:

Term Time only contracted colleagues should receive payment for no less than 5.6 weeks of annual leave as part of their annualised salary. This can be done as follows: -

(Proportion of WTE holiday entitlement per annum x [8.2 weeks (C) i. After 10 years' service 7.4 weeks (C) ii. After 5 years' service 7 weeks (C) iii. Under 5 years' service] = Pro rata annual leave entitlement in weeks

If this figure is less than 5.6, the annualised salary must be recalculated.