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Annualised Hours

Guidance Note

Human Resources

Approved at NLL Board May 2013

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**INTRODUCTION**

**1. Aims and Objectives**

1.1 This Guidance Note complements NLL’s Flexible Working Policy, specifically covering annualised hours working and sets out how it should be applied in a structured way. Whilst North Lanarkshire Leisure (NLL) seeks to support alternative ways of working, all such decisions will be at the discretion of NLL and made taking into consideration the operational requirements of the service area, customer service requirements and the needs of other employees.

1.2 Annualised Hours:

* Assists NLL to increase flexibility to cope with seasonal and other fluctuations in demand for the service
* Provides greater cost effectiveness due to the reduction/elimination of overtime
* Provides better service delivery
* Enables employees to balance work with commitments outside work
* Enables employees to have their pay split equally over a 12 month period.

1.3 NLL is committed to the promotion of good employment practices and improving the working lives of its employees. This Guidance Note sets out a system whereby an employee’s hours are annualised to be worked over a 12 month period. This is just one of a range of flexible working provisions aimed at assisting staff in balancing their home and working lives and improving organisational efficiency.

1.4 An annualised hours system may be applied to individuals or teams of employees where there is an organisational requirement for them to work longer or shorter days at different times throughout the year e.g. to cover peaks and troughs in workloads, to reduce hours during school holidays or make them up during term time.

1.5 Part time employees have contractual entitlements based on a pro rata comparison with full time employees.

1.6 Annualised hours takes due account of the Working Time Regulations (1998) which introduced a legal limit to working time and stipulates certain minimum entitlements to rest breaks from work.

1.7 Members of the Human Resources Section can be contacted for advice on the implementation of all flexible working options. All policies and Guidance Notes can be found in the Corporate Drive/ NLL Policies/ Human Resources/ Policies.

**2. Health and Safety**

2.1 When considering the introduction of all flexible working options, NLL will ensure that safe working systems are in place and that the health and safety of employees or others is not compromised. A Risk Assessment should be undertaken, if necessary taking due account of working alone, building security, use of equipment, shut down procedures, prohibited operations and less experienced or young employees.

2.2 The aforementioned is not intended to be an exhaustive list and dependent on the area of work there will be other factors to take into account

 **3. Working Hours**

3.1 Examples of how annualised hours are calculated are attached in Appendix 1.

 **4. Sickness**

4.1 The reporting arrangements for the notification of sickness absence will be in accordance with NLL’s Absence Policy. Sickness absence will be credited for the hours the employee would have worked on the day of absence.

 **5. Annual Leave and Public Holiday Entitlement**

5.1 Annual leave and public holidays will be calculated in hours. Examples of how these are calculated are attached in Appendix 2.

5.2 Where the annualised hours arrangements are based on contracted hours of less than full term, entitlements will be calculated on a pro rata basis. See Appendix 2.

5.3 Leave taken by an employee will be debited based on the actual number of hours the employee was due to work on that particular date.

**6. Salary**

* 1. An employee’s salary will be paid in 13 equal instalments for 4 weekly paid employees and 52 equal instalments for weekly paid employees.

**7. Termination of Employment**

* 1. When an employee leaves the employment of NLL, arrangements will be made to recalculate the number of hours they should have worked pro rata to the leaving date. This figure should be compared to the actual hours worked. This may result in an adjustment to the employee’s final salary.

**Appendix 1**

**Annualised Hours**

**1. Contractual Hours Converted to Annualised Hours**

**Example 1**

**Employee A** works 38.50 hours per week for 39 weeks of the year and 20 hours for the remaining 13 weeks.

Annualised hours are calculated as follows:

 38.50 hours x 39 weeks = 1501.50 hours

 20 hours x 13 weeks = 260 hours

 Total hours worked per annum = 1761.50 hours per annum

To calculate the average weekly hours for pay purposes and leave entitlements:

 1761.5 hours/52.143 weeks = 33.79 hours per week

**Example 2**

**Employee B** works 42.50 hours per week for 39 weeks of the year and 15 hours for the remaining 13 weeks.

Annualised hours are calculated as follows:

 42.50 hours x 39 weeks = 1657.50 hours

 15 hours x 13 weeks = 195 hours

 Total hours worked per annum = 1852.50 hours per annum

To calculate the average weekly hours for pay purposes and leave entitlements:

 1852.5 hours/52.143 weeks = 35.53 hours per week

 **Appendix 2**

**Annualised Hours**

**2. Conversion of Annual Leave (AL) and Public Holidays (PH) to Hours**

**(35 Hours FTE posts)**

**Example 1**

**Employee A** is employed as a Swimming Teacher and has 3 years continuous service. A full time Swimming Teacher (35 hours) with 3 years continuous service is entitled to 20 days annual leave and 12 days public holidays.

Annual Leave and Public Holidays in Hours are calculated as follows:

 (a) For a full time Swimming Teacher (35 hours)

 20 days AL x 7 hours (per day) = 140 hours

 12 days PH x 7 hours (per day) = 84 hours

 Total AL and PH in hours = 224 hours

If a full time employee with 3 years service is entitled to 140 hours AL and 84 hours PH, Employee A, working 33.79 hours will be entitled to:

Annual Leave

 140 hours AL/35 hours = 4 hours for each hour worked

 33.79 hours x 4 hours = 135.16 hours

 Total = 136 hours

Public Holidays

 84 hours PH/35 hours = 2.4 hours for each hour worked

 33.79 hours x 2.4 hours = 81.096 hours

 Total = 82 hours

Total AL and PH for Employee A = 136 hours AL and 82 hours PH

**3. Conversion of Annual Leave (AL) and Public Holidays (PH) to Hours**

**(37 Hours FTE posts)**

**Example 2**

**Employee B** is employed as a Green Keeper and has 8 years continuous service. A full time Green Keeper (37 hours) with 8 years continuous service is entitled to 26 days annual leave and 12 days public holidays.

Annual Leave and Public Holidays in Hours are calculated as follows:

 (a) For a full time Green Keeper (37 hours)

 26 days AL x 7.4 hours (per day) = 192.40 hours

 12 days PH x 7.4 hours (per day) = 88.80 hours

 Total AL and PH in hours = 281.20 hours

If a full time employee with 8 years service is entitled to 192.40 hours AL and 88.80 hours PH, Employee B, working 35.53 hours will be entitled to:

Annual Leave

 192.40 hours AL/37 hours = 5.2 hours for each hour worked

 35.53 hours x 5.2 hours = 184.76 hours

 Total = 185 hours

Public Holidays

 88.80 hours PH/37 hours = 2.4 hours for each hour worked

 35.53 hours x 2.4 hours = 85.272 hours

 Total = 86 hours

Total AL and PH for Employee A = 185 hours AL and 86 hours PH