



## CABINET – 24TH FEBRUARY 2021

**SUBJECT: CARRY OVER ANNUAL LEAVE 2020**

**REPORT BY: LYNNE DONOVAN, HEAD OF PEOPLE SERVICES**

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### **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to seek a Cabinet decision with regards to annual leave balances in excess of 5 days carry over for the year 2020.

### **2. SUMMARY**

- 2.1 The Council's Annual Leave Policy states:

*3. An employee's annual leave entitlement should be taken in the leave year in which it is accrued. Employees may carry over up to five days annual leave into the following leave year with the prior approval of their manager. Carried over leave should be used as soon as is reasonably possible in the new holiday year.*

- 2.2 The Covid pandemic impacted on the availability of staff in some services, resulting in staff agreeing to work through periods of planned annual leave and therefore having balances in excess of the 5 days at the end of the leave year.
- 2.3 It is important to acknowledge the commitment of the staff with these excess balances, as there would have been difficulties in providing services had they taken their leave. It would seem unreasonable and unfair for them to be penalised in such circumstances by losing any balance in excess of 5 days carry over.

### **3. RECOMMENDATIONS**

- 3.1 Cabinet is asked:

3.1.1 To agree that Heads of Service (or a more Senior Manager) discuss with staff that have annual leave balances in excess of 5 days carry over, whether they wish the excess annual leave to be paid up or added to their annual leave balance for 2021. Members of the Leadership team affected should not be offered the option of payment. For clarity, the Leadership team is Corporate Management Team and Heads of Service.

- 3.1.2 To agree that this is a one off situation to address the impact of the pandemic on services in 2020 and is not a change to Policy.

- 3.1.3 To agree that where excess leave is paid up that the cost should be met from core service revenue budgets.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 The recommendation is made to acknowledge the commitment of staff during the pandemic whilst considering the impact that excessive annual leave balances in this calendar year could have whilst the pandemic is still prevalent.

#### **5. THE REPORT**

- 5.1 Cabinet are aware that the UK was put in to lockdown with effect from 23<sup>rd</sup> March 2020, in an attempt to combat the Covid 19 pandemic.
- 5.2 Staff who were extremely vulnerable and vulnerable to severe illness from the Covid virus were sent home whilst services reshaped to ensure the continuing provision of critical services and effective remote homeworking where appropriate. Shielding, self isolation periods and social distancing were quickly introduced, which together with child care issues and sickness, lead to reported staff absences linked to Covid peaking at almost 1,100 at the end of March 2020. This figure thankfully reduced steadily.
- 5.3 Shielding in Wales ended on 16<sup>th</sup> August 2020 and risk assessments would have determined whether employees could return to their substantive posts. Cabinet will be aware that Shielding was reintroduced with effect from 22<sup>nd</sup> December 2020 and is still in place until at least 31<sup>st</sup> March 2021.
- 5.4 Whilst 1<sup>st</sup> June 2020 saw the easing of the lockdown restrictions in Wales, Cabinet will be aware that many restrictions remained in place and Caerphilly residents were the subject of the first local lockdown due to high rising case numbers with effect from 8<sup>th</sup> September 2020.
- 5.5 Since this date, further restrictions have been introduced in Wales, including a firebreak during the period 23<sup>rd</sup> October 2020 to 8<sup>th</sup> November 2020 and a further lockdown with effect from 19<sup>th</sup> December 2020, which is still in place.
- 5.6 During this period, the Council has continued to provide essential services to residents of the County Borough and has introduced new services i.e. Test Trace Protect (TTP), free school meals, the Buddy scheme. Staff have also provided support at testing centres and the mass vaccination centres.
- 5.7 Cabinet will recall the decision made not to furlough staff, but to maximise the opportunity of the flexibility of the workforce via redeployment. This has successfully supported the service provision as outlined in 5.6.
- 5.8 Discussions were held with the Trade Unions at the early stages of the pandemic as to whether we needed to change the Annual Leave Policy and it was agreed that we should not as it was important employees took their annual leave for their wellbeing and that Managers should ensure staff took their leave. We acknowledged there may be a need to consider the situation for some employees, depending on the pandemic and service needs. Leadership were informed of this position and that annual leave needed to be managed effectively within their services and taken by employees. The Chief Executive has regularly reminded staff to take their annual

leave to support their wellbeing in her communications. Staff were also advised that if they did not take their leave it would be lost.

5.9 The pandemic as briefly outlined in paragraphs 5.1 to 5.5 has impacted on the numbers of staff available to deliver critical services in some areas. The introduction of testing and the TTP service has also meant staff being advised to self isolate. Cabinet will be aware that these services were not in place at the start of the pandemic. Some services have seen an increase in workload as a result of the requirement to provide enforcement services to support Welsh Government's restrictions.

5.10 As a result of the above, there are 91 employees with annual leave balances in excess of 5 days carry over, as at the end of December 2020. For Cabinet's information, annual leave entitlements are issued per calendar year. The number of days in excess of 5, range from 1 to 14 and are within the service areas below:

Adult Services  
Children's Services  
Corporate Management Team  
Financial Services  
Green Spaces & Transport  
Infrastructure  
Planning  
Public Protection  
Sport & Leisure Services  
Waste

5.11 The Council's Annual Leave Policy states:

*3. An employee's annual leave entitlement should be taken in the leave year in which it is accrued. Employees may carry over up to five days annual leave into the following leave year with the prior approval of their manager. Carried over leave should be used as soon as is reasonably possible in the new holiday year.*

*8. There will be no payment in lieu of any annual leave not taken, except on termination of employment.*

5.12 The exception to this is if employees are absent due to maternity leave, adoption leave or long term sickness. The Annual Leave Policy provides that leave entitlements are unaffected by these absences and can be carried in to the following leave year if there is insufficient time for the leave to be taken in the same year. The 91 employees referred to in paragraph 5.10 does not include anyone that has been absent due to these reasons.

5.13 It is important as an employer that we acknowledge the commitment of staff who cancelled their annual leave during the exceptional circumstances of the pandemic, to ensure critical services continued to be provided. It would seem unreasonable and unfair for these staff to lose their excess balances of annual leave in such circumstances.

5.14 This has to be balanced with the continuation of service provision this year whilst the pandemic remains and the potential increased annual leave balances of some staff if the annual leave in excess of 5 days carry over is agreed. The recommendation

within this report attempts to address this problem but allows staff to make the choice.

- 5.15 It is important that Managers monitor the situation of annual leave within their services to support the wellbeing of their staff members. There should be no assumptions made that any decisions made by Cabinet in relation to annual leave to address the issues that arose in 2020 will apply in future years; this is a one off recommendation resulting from the pandemic. Should concerns arise that there could be any similar problems in the future, they will be brought to the attention of Cabinet as soon as possible in order to consider possible options.

5.16 **Conclusion**

To ensure continuation of essential services during the pandemic, some employees agreed not to take all their annual leave entitlement in 2020 and consequently have carry over balances in excess of the maximum stipulated in the Council's Annual Leave Policy. This report seeks to acknowledge the commitment of these staff and to ensure that they are not in a detriment situation by losing the additional excess leave.

**6. ASSUMPTIONS**

- 6.1 There are no assumptions made within this report.

**7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The report links to the Council's Annual Leave Policy.

7.2 **Corporate Plan 2018-2023.**

Whilst this report does not specifically contribute towards the Corporate Well-being Objectives, it does support good governance which is the foundation of the Council's performance management framework.

**8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 Having considered the five ways of working, they will not be affected by the contents of this report.

**9. EQUALITIES IMPLICATIONS**

- 9.1 An Equality Impact Assessment has not been produced as this is a one off variation to the agreed policy to reflect the exceptional circumstances of the pandemic.

**10. FINANCIAL IMPLICATIONS**

- 10.1 Annual leave is accounted for within employees' salaries. Any payments made for the excess carry over annual leave will be funded from core service budgets.

## **11. PERSONNEL IMPLICATIONS**

11.1 The Personnel implications are included within the report.

## **12. CONSULTATIONS**

12.1 All comments from consultees have been included in the report.

## **13. STATUTORY POWER**

13.1 Local Government Act 1972  
Employment Rights Act 1996  
Working Time Regulations 1998

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Consultees: Corporate Management Team  
Cllr Colin Gordon, Cabinet Member for Corporate Services  
Stephen Harris, Head of Financial Services & S151 Officer  
Robert Tranter, Head of Legal Services & Monitoring Officer  
Lisa Downey, HR Service Manager  
Shaun Watkins, HR Service Manager

Background Papers: Annual Leave Policy 2014