

**Buy Your Leave FAQ’s**

**What is the ‘Buy Your Leave’ scheme?**

**Buy Your Leave** (BYL)provides an opportunity for you to buy additional holiday on top of your contractual entitlement - ***subject to your line manager's approval***.

At Barnardo’s, we not only offer a positive, inclusive culture, where everyone can belong, grow and thrive we are also committed to providing a diverse range of benefits suited to everyone’s needs.

As part of our offering, our colleagues can purchase up to 5 days of annual leave per year. This allows colleagues to have greater flexibility over the year from time off with children in the summer holidays or to go on that once of a lifetime holiday.

**Who can join the Buy Your Leave scheme?**

This benefit is open to all Barnardo’s employees under a permanent contract, including TUPE staff. However, the following **exclusions** apply:

* TUPE colleagues whose contracted annual leave already exceeds the maximum allowance of staff on Barnardo’s T&C ([see table below](bookmark://table))
* Employees already covered by a pre-existing arrangement for annual leave, e.g. NHS Staff
* those who, by taking part in the scheme, have their salary reduced so that it falls below the National Minimum Wage (NMW)
* those who are on a fixed term/temporary contract of less than 12 months
* those who are on probation or yet to be confirmed in post
* those who are considered as and when, contingent workers or contractors with no fixed hours
* Teachers and term time only colleagues
* those likely to leave Barnardo’s during the defined leave year i.e. under notice, or under consultation for TUPE transfer

**How much holiday can I purchase?**

You can buy additional hours up to the equivalent of your weekly contractual hours, based on your normal working week, which will be added to your current entitlement. The number of hours purchased cannot exceed a working week. You can carry over one week’s annual leave and you can purchase one week’s leave.

Please note that your manager will need to consider the service provision and therefore may refuse your request to purchase additional hours.

Any extra hours of leave purchased cannot be carried over to the next year.

The amount purchased by TUPE staff is capped to match the maximum annual leave entitlement of staff on Barnardo’s T&Cs (please see chart below).

**Maximum leave entitlement for TUPE staff?**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **TUPE staff Maximum annual leave before and after** | Basic leave entitlement | Basic leave +5 bought days | Over 5 years’ Barnardo’s service | Over 5 yrs +5 bought days |
| a) TUPE Employees with **continuous start date before 01.04.16** | 27 | 32 | 32 | 37 |
| b) TUPE Employees with **continuous start date on or after 01.04.16** | 26 | 31 | 29 | 34 |

**Can I sell holiday back to Barnardo’s if I don't wish to take it?**

There is no provision for selling holidays back to Barnardo’s.

**How is Buy Your Leave purchase value calculated?**

The calculation is based on the hourly rate of pay and the number of hours purchased. For example, if the employee wishes to purchase 1 week of extra holiday and works 39 hours each week, they will be purchasing 39 hours. However, if the employee works a 20 hour week, they will only be able to purchase 20 hours.

As we have a range of different working patterns, the calculation needs to reflect the actual number of hours worked per week and ensure that the requested hours of extra holiday do not exceed the actual weekly hours.

When deciding how many hours to buy, it is up to the employee to choose the meaningful amount of time in relation to their normal working patterns.

1. **Full-time**

|  |  |
| --- | --- |
| Gross annual salary | £20,000.00 |
| Weekly hours | 36.25 |
| Total cost of 7.25 hours | **£76.72**  Gross annual salary ÷ 52 ÷ weekly contracted hours x number of additional hours = total cost of additional hours  £20,000.00 ÷ 52 (weeks per year) ÷ 36.25 x 7.25 = £76.72 |
| Monthly cost of 6 extra hours holiday, repaid over 12 months | **£6.39**  Total cost of additional hours ÷ repayment months = monthly cost  £76.72 ÷ 12 = £6.39 |

1. **Part-time**

|  |  |
| --- | --- |
| Gross annual salary | £12,000.00 |
| Weekly hours | 15 |
| Total cost of 15 additional hours | **£230.15**  Gross annual salary ÷ 52 ÷ weekly contracted hours x number of additional hours = total cost of additional hours  £12,000.00 ÷ 52 (weeks per year) ÷ 15.00 x 15.00 = £230.15 |
| Monthly cost of 15 extra hours holiday repaid over 12 months | £19.18  Total cost of additional hours ÷ repayment months = monthly cost  £230.15 ÷ 12 = £19.18 |

**Can my line manager decline my application?**

**Buy Your Leave** applications are subject to line manager approval and the line manager may have valid reasons to refuse yours. If your application is declined this will be discussed with you and the reasons explained.

Examples of reasons for declining an application include staff shortages, impact on service delivery, holiday cover within the team, excessive amount of untaken holiday. Every effort will be made to accommodate the request in a fair and flexible manner.

**What happens if I reduce my hours/or have a pay increase?**

The **Buy Your Leave** cost calculation is based on your actual pay at the time you purchase your additional leave.

If you have a pay change during the holiday year your payments will normally remain the same. However, Barnardo’s reserves the right to re-calculate the value of your monthly deductions.

**I have just started working for the Barnardo’s - can I apply?**

You can only apply to buy extra holidays during the enrolment window. You must also be **confirmed in post** at the time of applying, having passed your probationary period.

If, once you are confirmed in post, a need arises whereby it would help you to have more leave, you can apply for [**Additional Leave – paid and unpaid**](http://b-hive.barnardos.org.uk/Interact/Pages/Content/Document.aspx?id=1353).

**What happens if I leave?**

If you leave during the course of the year Payroll will calculate the pro-rata rate of contracted holidays owed for the period that has been worked. The number of additional holiday hours will then be added on to this, and any monies owed for the purchase of additional holiday will be deducted from the final salary.

I.e. 181.25 hours per annum entitlement (36.25 contracted hours per week), plus 36.25 extra hours purchased.

Holiday year Apr-Mar

Employee leaves on 30 October, therefore, works six months of the holiday year.

Contracted pro-rata holiday entitlement = 90.63 hours

Purchased holiday entitlement = 36.25 hours

Full pro-rata holiday entitlement = 126.88 hours

If the employee agreed to pay £600 per year for the purchase of additional holiday hours and so far, they have repaid £300 of this, the remaining £300 will be deducted from the final salary and the employee will be given all purchased holiday hours owing (i.e. this will not be pro-rated according to how many months have been worked).

**How will this affect my state benefits?**

Using this benefit may reduce your taxable pay. By doing so, your entitlement to some state benefits could be affected if these are assessed against your National Insurance contributions. Please visit <https://www.gov.uk/guidance/salary-sacrifice-and-the-effects-on-paye> for full information.

**What if I am in receipt of Child Tax Credits (CTC) or Working Tax Credits (WTC)?**

CTC/WTC payments are based on your income for the previous tax year which ends on 5 April. If you are using **Buy Your Leave** and are making a new claim for CTC or WTC please use your revised pay figure when making an application. Help and advice is available from the Tax Credits helpline on: **0845 300 3900** or via their website: **[www.hmrc.gov.uk](https://www.secureadmin.pmm/SalaryPlusPmmAdmin/Pages/AdvancedOptions/www.hmrc.gov.uk" \t "_blank)**

**What happens if I go on maternity leave or sick leave?**

If you enter a period of unpaid leave, you will be allowed to suspend salary sacrifice payments until you return to work. SMP and SSP will be calculated on your reduced gross salary which may result in a lower value of these benefits. If you then decide not to return to work any outstanding monies will be collected from your final salary.

However, if you wish to opt to pay the remaining months off in full from your final salary before going on maternity leave you can arrange this through your line manager and your local people team.

**How do I apply?**

Please complete the **Buy Your Leave- How to Apply Form**

Follow the prompts. More details can be found on the **‘Buy Your Leave – how to apply’** page.

The procedure for buying holiday is as follows:

* Employee checks the FAQs for eligibility
* Employee obtains provisional/verbal line manager approval.
* Employee enters details onto **Buy Your Leave** form (located on Inside Barnardo’s).
* **Buy Your Leave** on the form will calculate the indicative cost. If the employee is happy with this, they complete the application.
* The request is sent through to the line manager named on the form;
* Manager approves the leave request;
* The bought leave is added to the total leave on the employee’s Dynamics Employee Self Service (this may not show until after 01/04). There will be a separate category for colleagues to choose purchased leave when requesting holiday.
* The Pay & Reward team and Payroll will not be able to run checks in advance of the form being completed, if there are any concerns they will get in contact with the employee at the time of processing.
* Payroll sets up the salary exchange arrangements: deductions over 12 months commencing in April.

To calculate the annual leave entitlement in hours please uses the following link:

[**Annual Leave and Bank Holiday Calculator**](https://inside.barnardos.org.uk/employee-and-volunteer-support/taking-time/annual-leave-calculator)

**When do I apply?**

The **Buy You Leave** scheme enrolment window is open from **Thursday 1 February 2024** to **Sunday 3 March 2024**. Your manager will have up to the 12 noon on Friday 8 March 2024 to approve your request.

Applications cannot be made at any other time. However, outside of this scheme you may be able to apply for [**Additional Leave – paid and unpaid**](http://b-hive.barnardos.org.uk/Interact/Pages/Content/Document.aspx?id=1353)**.**

The BYL window is open earlier this year to allow colleagues more time to apply. However, what this means is that no applications after this date will be accepted. Please ensure that if you or your line manager is on annual leave when the deadline has passed and your request has not been approved, we will not be able to process your BYL request. After the deadline has passed there is a lot of checking and processing which also affects the Payroll team. Therefore, no exceptions can be made.

**What happens after everything has been approved and processed?**

Once your request has been processed it will appear in your leave allowance on Dynamics 365 as ‘BARNARDOS BOUGHT LEAVE’, under ‘Request Time off’’. Please note that this may not appear until later in April.