NHS Circular: PCS(AFC)2025/6

The Scottish Government Health Workforce Culture, Pay and Partnership Division



Scottish Government Riaghaltas na h-Alba gov.scot

Dear Colleague

NHS SCOTLAND ANNUAL LEAVE POLICY FOR AGENDA FOR CHANGE STAFF

1. This circular provides guidance on the provision of annual leave and general public holidays for Agenda for Change staff working in NHS Scotland and is designed to be read in conjunction with Section 13 of the Agenda for Change Handbook.

2. The Annex to this letter supercedes the previous version of this policy issued as DL(2024)7, and all other versions which predate it.

3. This version updates the approach to long shifts on public holidays to ensure that it is in line with paragraph 13.5 of the Agenda for Change Handbook around irregular shifts. It has also been updated to take full account of the implications of the reduced working week in terms of converting annual leave and public holiday allocated in days into an hourly entitlement.

Cabinet Secretary Approval

4. The provisions of this circular have been approved by Scottish Ministers under Regulations 2 and 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (SI 1991 No 537). A copy of the formal approval is attached.

Action

5. NHS Boards and Special Health Boards should ensure that their policies on annual leave and public holidays comply with the provisions outlined in this letter.

28 May 2025

Addressees

For action

Chief Executives, Directors of Finance, Directors of Human Resources: NHS Boards and Special Health Boards, NHS National Services Scotland (Common Services Agency) and Healthcare Improvement Scotland

For information

Members, Scottish Partnership Forum Members, Scottish Terms and Conditions Committee Members, Scottish Workforce and Governance Committee

Enquiries to:

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E-mail: <u>hwfpaytermsandconditions@g</u> <u>ov.scot</u>

Enquiries

6. Employees should direct their personal enquiries to their employing NHS Board or Special Health Board.

7. Employers should make their own arrangements for obtaining additional copies of this circular, which can be viewed at:

https://www.publications.scot.nhs.uk/

Yours sincerely

Cargeman

TAI MCLENNAN Deputy Director Health Workforce: Culture, Pay and Partnership Division



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NATIONAL HEALTH SERVICE APPROVAL OF REMUNERATION AND CONDITIONS OF SERVICE

In accordance with regulations 2 and 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (S.I. 1991/537) the remuneration and conditions of service set out in the attached Scottish Government Health Workforce Directorate circular of 28 May 2025 – PCS(AFC)2025/6 – in respect of the provision of Annual Leave and Public Holidays for Agenda for Change staff are hereby approved for the purposes of the said Regulations.

Them

TAI MCLENNAN Deputy Director Health Workforce: Culture, Pay and Partnership Division 28 May 2025

Annex



AGENDA FOR CHANGE

Annual Leave Policy

Note: For speed and convenience, and to ensure consistency across the service, an online annual leave and public holiday calculator has been developed as part of the NHS Scotland Workforce Policies. This calculator should now be used to calculate annual leave and public holiday entitlement for all Agenda for Change staff in Scotland. The calculator can be found at:

https://workforce.nhs.scot/calculators/annual-leavecalculator

ANNUAL LEAVE POLICY (NON-MEDICAL STAFF)

Introduction

1. The Scottish Terms and Conditions Committee has developed this policy in line with the annual leave and public holiday entitlements within the Agenda for Change Agreement. This policy will be applied across NHS Scotland.

Purpose

2. The aim of this policy is to provide a uniform and equitable approach to the calculation of annual leave and public holiday entitlements for Agenda for Change staff.

Scope

3. The policy applies to all employees who are employed on Agenda for Change terms and conditions. The principles contained within this policy also apply to bank workers. For further guidance on leave for bank/casual workers, see NHS Circular <u>CEL 15(2011)</u>.

Annual leave year

4. The annual leave period shall be from 1 April to 31 March. This may be reviewed at some point in the future.

Exclusions

5. This policy is not applicable to Medical and Dental staff, for whom separate provisions apply.

Entitlement

Entitlement for complete years

6. The basic annual leave provisions under Agenda for Change, which apply to fulltime staff and have been effective since 1 October 2004, are set out in Table 1 at the end of this guidance. Note that full-time hours for Agenda for Change staff are due to decrease over the coming years from 37.5 to 36. This means that a standard working day will be shorter and that the allocation in days, as translated into hours, will also change. Table 1 therefore provides confirmation of what the leave and public holiday entitlement will be in hours for full-time staff at each point of reduction. The reduction for part-time staff will be on a pro-rata basis.

7. There is an expectation on every member of staff that they will fully utilise their entitlement to annual leave during the holiday year in which it accumulates. The improvements in the amount of annual leave available under Agenda for Change – and in the factors to be included when calculating that entitlement – are in line with the overall intentions of making the NHS an exemplary employer. Annual leave ensures that every member of staff has adequate time away from work for rest and respite.

8. All requests for annual leave should therefore be dealt with in accordance with the principles of partnership working in NHS Scotland. There should be mutual agreement between the member of staff and their manager. Requests for specific dates should normally be accepted and agreed and should only be refused if there are justifiable

service/staffing reasons for doing so. Staff will be expected to be flexible in such circumstances.

9. Staff will be entitled to take annual leave in the periods that will most benefit them in line with the above principles, subject to the approval of their line manager.

10. It is expected that annual leave will normally be taken in periods of not less than $\frac{1}{2}$ day/shift.

11. However, the national policy is to determine annual leave entitlement in hours not days for all staff regardless of whether the employee is full-time or part-time. The benefit for all employees in calculating entitlement in hours is that this ensures equity for all by ensuring that staff who work variable hours/shifts do not receive either more or less leave than colleagues who work a standard pattern.

12. Part-time staff will receive a pro-rata entitlement of annual leave based on contracted hours, rounded up or down to the nearest 0.5 decimal point (i.e. the nearest $\frac{1}{2}$ hour). The reduction in the full-time working week means that annual leave entitlement when converted from days into hours no longer works out exactly to the hour or half hour. In order to ensure that a full-time staff member's allocation in hours matches an exact number of days, therefore, the full-time allocation has not been rounded to the nearest 0.5 ($\frac{1}{2}$ hour).

13. In addition to annual leave entitlement, full-time employees are entitled to 8 days paid general public holidays. In the case of all part-time staff, this entitlement is pro rata to the full-time allowance of 8 days, rounded up to the nearest half day as per paragraph 13.6 of the Agenda for Change Handbook. In this way, all employees have a fair and equitable, static entitlement rather than an eligibility based solely on the normal days of work which would result in some part-time employees never receiving the benefit of public holidays unless they fall on their normal days of work. Similarly, this calculation based on the number of basic weekly contracted hours removes any potential for inequity in the case of staff whose working days vary.

14. For convenience, an online annual leave and public holiday calculator has been developed which takes account of all relevant guidance – https://workforce.nhs.scot/calculators/annual-leave-calculator.

15. Because of the reduction in the working week and the application of this reduction to part-time staff on a pro-rata basis, working hours will not necessarily be expressed in the round numbers they were previously. To accommodate this change, a spreadsheet has been prepared which covers all possible confirgurations of working hours and confirms the hourly entitlement on that basis for both leave and public holidays. This information can be accessed on the following page of the Scottish Terms and Conditions website - https://www.stac.scot.nhs.uk/annual-leave-and-public-holidays

16. Staff and managers are however advised to refer to the online calculator as the most straightforward way of calculating entitlement and you may wish to bookmark the web page for ease of future reference. Care should be taken to enter the correct data into the calculator (public holidays left in the leave year, years of service etc). If circumstances change during the leave year, a further calculation period can be added. For example, when an employee's NHS service increases from 4 to 5 years. Particular care should be taken to choose the correct full time contracted hours. Currently it is possible to choose either 37.5 or 37 to accommodate the present transitional period, but the available options

will change as the standard working week reduces. Part-time staff should then enter the hours they are working on the subsequent page since pro-rate entitlement for part time staff is worked out in proportion to the full-time contract. It may be helpful if both staff and managers enter information into the calculator separately as a way of double-checking entitlement.

17. For staff working annualised hours or during term time only please refer to the SPRIG guidance letter SGL/2005/011 which can be found in the Other NHS Scotland Guidance section of the MSG website – <u>https://www.msg.scot.nhs.uk/publications</u>. Note that the tables at the end of this guidance have been superceded by the reduction of the working week and the online Annual Leave calculator should now be used to check entitlement.

Calculation of Reckonable Service

Principles

18. An employee's continuous previous service with any NHS employer will count as reckonable service in respect of NHS agreements on redundancy, maternity, sick pay and annual leave. On returning to NHS employment, a previous period or periods of NHS service will be counted towards the employee's entitlement to annual leave.

19. NHS employers have the discretion to take into account any period or periods of employment with employers outside the NHS, where these are judged to be relevant to NHS employment. In this respect, it has been agreed that there should be a consistency of approach across NHS Scotland.

Details

20. For the purposes of calculating annual leave entitlement for a new employee, NHS Scotland employers should count as reckonable service any previous service with the following employers:

Private Sector

21. Where an employee has TUPE transferred out of the NHS to a private sector employer under a PPP/PFI contract arrangement and decides to rejoin NHS Scotland.

Other NHS organisations

22. GP Employed Staff.

Voluntary Sector

23. Voluntary sector – paid employees in organisations providing a health care provision or a service closely related to health care. Examples would be hospices, McMillan or Maggies.

Overseas

24. Overseas service should be considered in line with the relevant legislation, as set out in Annex 28 of the Agenda for Change Handbook "Guidance on Frequently Asked Questions".

Entitlement on Joining

25. All new members of staff will be entitled to annual leave plus public holidays in the year of joining the organisation on a pro-rata basis.

26. Entitlement to annual leave accrues from the date of commencement in post and entitlement in the first year is dependent on the number of days worked after the date of joining and before the end of the annual leave year.

Entitlement on changing contracted hours

27. Where staff change their contracted hours, this will result in a re-calculation of their leave entitlement based on the number of days on the new and the old contracted hours to give the full year entitlement. In this situation, the user should use the function in the online calculator to add a calculation period. This allows the two separate sets of criteria to be added into the online calculator for the leave year up to the date of change and the leave year after the date of change –

https://workforce.nhs.scot/calculators/annual-leave-calculator.

General public holidays

28. There are 8 Public Holidays in the year, four of which have been agreed for NHS Scotland. These are:

25 December 26 December 01 January 02 January

29. The other four days will be determined locally.

30. All full-time employees are entitled to 8 days paid public holidays in the leave year, as set out in Section 13 of the Agenda for Change Terms and Conditions Handbook. Because the working week is reducing for Agenda for Change staff in Scotland, a day in hours will reduce in proportion. So, for example, the reduction from 37.5 to 37 hours means that the standard day has reduced from 7.5 hours (7 hours, 30 minutes) to 7.4 hours (7 hours, 24 minutes). Public holiday entitlement in hours will reduce accordingly, and what this will mean for full-time staff at each stage in the reduction is set out in Table 1 at the back of this guidance.

31. For part-time staff, this will be a proportionate number of public holiday hours based on their basic weekly contracted hours, then rounded up to the nearest half day as per paragraph 13.6 of the Handbook (See the Annual Leave and Public Holiday page of the Scottish Terms and Conditions Committee website for a spreadsheet which sets out public holiday entitlement in hours for all possible working hours options). Locally, and where it is agreed in line with the Agenda for Change agreement, up to four days not designated nationally can be converted into annual leave.

32. On each and every occasion an employee takes paid time off on a public holiday as part of their basic week, the appropriate deduction will be made from their overall

entitlement. Table 2 at the end of this guidance sets out what a single day of public holiday would be for all possible configurations of working week.

33. It is recognised that within NHS Scotland there are a range of shift lengths and rota patterns that both full and part-time staff may be involved in when being allocated a public holiday. Section 13.5 of the Agenda for Change Handbook indicates that where staff work shift patterns other than standard days, annual leave and public holidays should be calculated on an hourly basis, to prevent staff on those shift patterns receiving greater or lesser leave than colleagues on standard shifts. In order to ensure that all staff are treated fairly and receive the same amount of paid time off work, pro-rata for part-time staff, the following should be applied.

34. When deducting public holiday hours if taken, the length of the shift (i.e. the number of paid hours off work) should be deducted from the staff member's allocation of public holiday hours. Where a staff member works a non-standard shift pattern, the number of public holidays which fall within that staff member's shift pattern may vary. For this reason, if a staff member does not use their full allocation of public holiday hours in a given year, the remainder should be added to their allocation of annual leave. Conversely, if the number of paid hours off work on public holidays in a given year exceeds a staff member's allocation of public holiday hours allocation of public holiday hours allocation.

35. There are limited circumstances such as long shift workers who have a fixed work pattern who may be disadvantaged if their services closes on a public holiday on a day they would normally be rostered to work. For these workers they can:

- a) Opt to work in another part of the service if there is a need/skills/agreement.
- b) Use the public holiday leave hours for a standard day and then by local agreement work any contracted hours over and above the standard public holiday hours as 'additional' hours on the agreed roster.

36. Where operationally possible, and subject to mutual agreement, an employee may change their days of working during a public holiday week and therefore retain their leave entitlement in respect of the public holiday. This can then be taken as time off at another time.

37. There will be some years when more (or fewer) than 8 public holidays will fall within the leave year simply because holidays follow the calendar year e.g. Easter holidays (where designated as public holidays) can be in March or April. When this situation arises, these days should be taken from the following year's leave allocation.

Cover of leave

38. It is expected that staff will take their annual leave within the leave year. In certain circumstances up to one working week of basic contracted hours may be carried over to the following year, with the agreement of the Manager.

39. Where staff have, exceptionally, been prevented from taking their leave due to service demands then, again, the amount carried forward will be expressed in contracted hours and this should not normally exceed one working week of basic contracted hours.

Carry over of annual leave following sick leave

40. Any employee who is not able to use up their leave entitlement in a given year because of sick leave will be entitled to the difference between any annual leave and/or public holidays taken before sick leave began and the statutory entitlement. From 1 April 2009 the Working Time Directive statutory entitlement to annual leave is 5.6 weeks (28 days). This should be carried over and added to the entitlement in the new leave year or, where an employee terminates and does not return to work, should be paid at full pay rates in lieu of leave. See <u>CEL 17(2009)</u> for further information on this issue.

41. It should be noted that staff are entitled to statutory leave only and employees are not entitled to carry over (or be paid on termination) the full amount of leave provided by their NHS terms and conditions of employment.

Sickness occurring during annual leave or public holidays

42. If an employee falls sick whilst on annual leave and complies with local Sickness Notification and Certification Procedures (as per the <u>NHS Scotland Attendance Policy</u>), the period covered will be treated as sick leave, allowing the employee to take the annual leave at another agreed time. In accordance with Agenda for Change Terms and Conditions, employees will not be entitled to an additional day off if sick on a public holiday that they would otherwise have been required to work as part of their basic week.

Entitlement on leaving

43. Employees leaving the service of a body constituted under the National Health Service and Health Services Acts are entitled in the leave year of cessation to annual leave proportionate to the number of calendar days between 1 April and the date of termination. The period of employment of these employees shall, if necessary, be extended so as to permit them to take any balance of leave to which they are entitled on the proportionate basis, always excepting cases where the employment is terminated on disciplinary grounds. The online calculator can be used to calculate entitlement to annual leave and public holidays on leaving - https://workforce.nhs.scot/calculators/annual-leave-calculator.

44. Staff who leave the employing organisation will receive their full annual leave entitlement for each day they have worked in the current leave year, less any annual leave taken plus any outstanding public holiday hours, i.e. for those hours still be to be taken as a result of the employee working a public holiday.

45. Where total leave taken exceeds the earned total leave entitlement, an appropriate deduction will be made from final monies due.

46. Payment in lieu of annual leave shall be made only when staff are leaving the NHS Board.

47. Where an employee dies in service an allowance equivalent to that part of the annual leave entitlement, calculated on the proportionate basis, not taken at date of death shall be paid to the employee's personal representative. No deduction from the final salary payment should be made in respect of annual leave taken in excess of entitlement at the date of death.

Former Ancillary and Maintenance Whitley Staffs Council Leave rules

48. When Ancillary and Maintenance Staff in post in the leave year beginning on 1 April 1988 leave the service, they will be entitled to take the number of days of annual leave to which they became entitled on 1 April 1989, based on their aggregated service completed by 31 March 1989, and calculated in accordance with the appropriate tables in the respective former Whitley Council Handbooks.

49. Staff shall have this entitlement once only. If it is not convenient for the employing authority to allow the whole or any part of such leave before the date of leaving the service, payment in lieu shall be made at the rate in force at the date of termination and in accordance with the agreement which exists to cover payment during annual leave when the employee leaves the service. Where it is more beneficial to the employee, accrued annual leave entitlement shall be based upon the contracted hours at 31 March 1989, rather than at the time of leaving the service. Any leave in excess of that due at Table 1 attached may be deducted from the total of the leave to which the employee was due on 1 April 1989.

Agreement

50. This Policy has been jointly agreed by the Scottish Terms and Conditions Committee for NHS Scotland under the arrangements for implementation of Agenda for Change.

TABLE 1

Annual Leave and Public Holiday Entitlement for Full-Time Staff

Section 13 of the Agenda for Change Handbook sets out the number of days of annual leave and public holiday which staff are entitled to on appointment, then after 5 years of service and after 10 years of service. The table below shows what this represents in hours at each stage in the reduction from a 37.5 to a 36 hour week which is taking place in NHS Scotland

| Full-Time Hours – 37.5 | | | |
|------------------------|--|------------------------------|--------------------------------|
| Length of Service | Annual Leave + General Public Holidays | Annual Leave in Hours* | Public Holidays in Hours |
| On appointment | 27 days + 8 days | 202.5 | 60 |
| After 5 years | 29 days + 8 days | 217.5 | 60 |
| After 10 years | 33 days + 8 days | 247.5 | 60 |

| Full-Time Hours – 37 | | | |
|----------------------|--|------------------------------|--------------------------------|
| Length of Service | Annual Leave + General Public Holidays | Annual Leave in Hours* | Public Holidays in Hours |
| On appointment | 27 days + 8 days | 199.8 | 59.2 |
| After 5 years | 29 days + 8 days | 214.6 | 59.2 |
| After 10 years | 33 days + 8 days | 244.2 | 59.2 |

| Full-Time Hours – 36 | | | |
|----------------------|--|------------------------------|--------------------------------|
| Length of Service | Annual Leave + General Public Holidays | Annual Leave in Hours* | Public Holidays in Hours |
| On appointment | 27 days + 8 days | 194.5 | 57.6 |
| After 5 years | 29 days + 8 days | 208.8 | 57.6 |
| After 10 years | 33 days + 8 days | 237.6 | 57.6 |

* The long-standing agreement for part time staff is that leave will be rounded to the nearest half hour. However, in the context of reduction of the full-time working week, the allocation for full-time staff will not be rounded so that the time in hours works out to exactly the right number of days.

TABLE 2

Agenda for Change

Agenda for Change Public Holiday Entitlement for Complete Years and Individual Days Public holiday entitlement in hours for a full leave year is worked out by dividing weekly basic hours by 5 then multiplying by the number of days entitlement in a year and rounding up to the nearest half day. There are 8 public holidays in a standard leave year but, as per paragraph 36 of the preceding guidance, there will be years when there are either more or less in a given year because of the date on which Easter happens to fall. For simplicity, the tables below cover an 8 public holiday year but confirmation of entitlement where there are more or less public holidays within a complete year can be provided by consulting the online calculator at:

https://workforce.nhs.scot/calculators/annual-leave-calculator

Entitlement When Full Time Basic Hours are 37

| Range | Weekly basic contracted hours | Hours entitlement for full leave year | Hours entitlement rounded up to the nearest half day | Hours entitlement on each bank holiday as it occurs |
|---------|-------------------------------------|---|--|--|
| Between | 37 | 59.200 | 59.20 | 7.40 |
| and | 34.69 | 55.504 | 59.20 | 7.40 |
| Between | 34.68 | 55.488 | 55.50 | 6.94 |
| and | 32.38 | 51.808 | 55.50 | 6.94 |
| Between | 32.37 | 51.792 | 51.80 | 6.48 |
| and | 30.07 | 48.112 | 51.80 | 6.48 |
| Between | 30.06 | 48.096 | 48.10 | 6.01 |
| and | 27.76 | 44.416 | 48.10 | 6.01 |
| Between | 27.75 | 44.400 | 44.40 | 5.55 |
| and | 25.44 | 40.704 | 44.40 | 5.55 |
| Between | 25.43 | 40.688 | 40.70 | 5.09 |
| and | 23.13 | 37.008 | 40.70 | 5.09 |
| Between | 23.12 | 36.992 | 37.00 | 4.63 |
| and | 20.82 | 33.312 | 37.00 | 4.63 |
| Between | 20.81 | 33.296 | 33.30 | 4.16 |
| and | 18.51 | 29.616 | 33.30 | 4.16 |
| Between | 18.5 | 29.600 | 29.60 | 3.70 |
| and | 16.19 | 25.904 | 29.60 | 3.70 |
| Between | 16.18 | 25.888 | 25.90 | 3.24 |
| and | 13.88 | 22.208 | 25.90 | 3.24 |
| Between | 13.87 | 22.192 | 22.20 | 2.78 |
| and | 11.57 | 18.512 | 22.20 | 2.78 |
| Between | 11.56 | 18.496 | 18.50 | 2.31 |
| and | 9.26 | 14.816 | 18.50 | 2.31 |
| Between | 9.25 | 14.800 | 14.80 | 1.85 |
| and | 6.94 | 11.104 | 14.80 | 1.85 |
| Between | 6.93 | 11.088 | 11.10 | 1.39 |
| and | 4.63 | 7.408 | 11.10 | 1.39 |
| Between | 4.62 | 7.392 | 7.40 | 0.93 |
| and | 2.32 | 3.712 | 7.40 | 0.93 |
| Between | 2.31 | 3.696 | 3.70 | 0.46 |
| and | 0.01 | 0.016 | 3.70 | 0.46 |

Entitlement When Full Time Basic Hours are 36 (from 1 April 2026)

| | Weekly basic contracted hours | Hours entitlement for full leave year | Hours entitlement rounded up to the nearest half day | Hours entitlement on each bank holiday as it occurs |
|---------|--|---|--|---|
| Between | 36 | 57.60 | 57.60 | 7.20 |
| and | 33.76 | 54.02 | 57.60 | 7.20 |
| Between | 33.75 | 54.00 | 54.00 | 6.75 |
| and | 31.51 | 50.42 | 54.00 | 6.75 |
| Between | 31.5 | 50.40 | 50.40 | 6.30 |
| and | 29.26 | 46.82 | 50.40 | 6.30 |
| Between | 29.25 | 46.80 | 46.80 | 5.85 |
| and | 27.01 | 43.22 | 46.80 | 5.85 |
| Between | 27 | 43.20 | 43.20 | 5.40 |
| and | 24.76 | 39.62 | 43.20 | 5.40 |
| Between | 24.75 | 39.60 | 39.60 | 4.95 |
| and | 22.51 | 36.02 | 39.60 | 4.95 |
| Between | 22.5 | 36.00 | 36.00 | 4.50 |
| and | 20.26 | 32.42 | 36.00 | 4.50 |
| Between | 20.25 | 32.40 | 32.40 | 4.05 |
| and | 18.01 | 28.82 | 32.40 | 4.05 |
| Between | 18 | 28.80 | 28.80 | 3.60 |
| and | 15.76 | 25.22 | 28.80 | 3.60 |
| Between | 15.75 | 25.20 | 25.20 | 3.15 |
| and | 13.51 | 21.62 | 25.20 | 3.15 |
| Between | 13.5 | 21.60 | 21.60 | 2.70 |
| and | 11.26 | 18.02 | 21.60 | 2.70 |
| Between | 11.25 | 18.00 | 18.00 | 2.25 |
| and | 9.01 | 14.42 | 18.00 | 2.25 |
| Between | 9 | 14.40 | 14.40 | 1.80 |
| and | 6.76 | 10.82 | 14.40 | 1.80 |
| Between | 6.75 | 10.80 | 10.80 | 1.35 |
| and | 4.51 | 7.22 | 10.80 | 1.35 |
| Between | 4.5 | 7.20 | 7.20 | 0.90 |
| and | 2.26 | 3.62 | 7.20 | 0.90 |
| Between | 2.25 | 3.60 | 3.60 | 0.45 |
| and | 0.01 | 0.02 | 3.60 | 0.45 |