

Holiday Purchase Scheme Policy

Document Ref:	Version No:	Summary of Changes:	Author:	Release Date:	Approved By:	Lesson Learned link
OR74	1	New Policy	Jane Jarvis	Mar 19	QSGC	
OR74	2	Full Review – added point 3.10 for 2020 due to Covid	Jane Jarvis	Jan 21	QSGC	

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Review Date: January 2022

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Fair Ways Vision, Mission and Values

Our vision

To build an institution that makes a difference to society and leaves a legacy greater than ourselves and our contributions.

Our mission

Making a difference through passionate care, support and education.

Our values

As a charity we measure our wealth by the difference we make, rather than any profit.

We believe that by embodying a culture in which every individual is valued for their own contribution, we can develop them and harness their potential, so that they may achieve great things.

Our values form the heart of the work we do, defined by Fair Ways people, for Fair Ways people. These are the values by which we operate, by which we are governed, and to which we are held accountable.

We therefore expect every individual within the organisation to *play their part*:

P ROFESSIONAL	A CCEPTING	R EFLECTIVE	T RANSPARENT
<ul style="list-style-type: none"> · We do what we say we will · We approach challenges with optimism and enthusiasm · We don't judge, we notice · We put the needs of the service before our own personal gains 	<ul style="list-style-type: none"> · We don't give up on people · We value all individuals and are willing to challenge them · We embrace each other's differences as much as our similarities · We accept responsibility for our actions 	<ul style="list-style-type: none"> · We give feedback, we invite feedback, we listen to feedback · We look inward before we look outward · We learn as much from our mistakes as from our successes · We listen to each other, learn from each other and grow together 	<ul style="list-style-type: none"> · We are always willing to explain why · We have the courage to be open and honest · We earn trust through our transparency · We live by our values even when no-one is watching

1 Introduction

Fair Ways recognises that holidays are a very important part of our employee remuneration package and the significance in achieving a good work life balance.

The Fair Ways Holiday Purchase Scheme allows employees to purchase **up to** an additional 5 days/shifts (pro rata for part time employees) holiday in each holiday year.

The scheme is administered through a salary sacrifice arrangement. Employees will have their salaries reduced by the value of the holiday they purchase in 12 monthly installments prior to the deduction of Tax and National Insurance.

2 Scope

All permanent employees of Fair Ways are eligible to participate in the scheme with the exception of those working in Education.

Employees will not be able join the scheme if they are earning a salary equivalent to the National Minimum Wage, or if their total reductions in salary under salary sacrifice schemes would take them below this rate.

3 Scheme Rules

3.1 The scheme operates in line with the Company's Holiday Year (1st January – 31st December)

3.2 Prior to the start of the holiday year (in November each year) employees will have the opportunity to request to 'purchase' **up to** an additional 5 days (pro rata for part time employees) holiday entitlement for the following holiday year.

3.3 All requests to purchase additional holiday must be made on the 'Holiday Purchase Request Form' (available on the intranet -Useful Paperwork) and approved by the employees Line Manager and Head of Department/Director.

- 3.4 All Holiday Purchase Scheme Forms (fully authorised) must be submitted to HR by 30th November. No applications to purchase additional holiday will be accepted after this date (other than for new starters).
- 3.5 All requests will be reviewed by the Operational Board who will have final approval.
- 3.6 Approval will be based on business requirements and the Company reserves the right to decline a request to purchase additional holiday under this scheme or to withdraw or modify the scheme prior to the commencement of each holiday year in order to ensure adequate staffing levels.
- 3.7 Employees will be advised if their requests have been approved by 2nd week in December. No additional holidays (outside of contractual entitlements) must be booked until approval has been confirmed
- 3.8 Once an employee has entered into the Holiday Purchase Scheme, they remain bound by the agreement and must remain in the scheme for the full holiday year. The only exception will be where an individual's earnings change during the year and become equivalent to National Minimum Wage, or if their total reductions in salary under salary sacrifice schemes would take them below this rate. In this case membership to the scheme will be terminated.
- 3.9 All contractual holiday entitlement and any additional holiday purchased under this scheme must be booked in line with company policy and taken by the end of the relevant holiday year.
- 3.10 For 2021 staff who are carrying over holiday from this year as a result of COVID can only purchase any balance that would take them to the maximum of additional 5 days for the year (e.g. If a staff member is carrying over 5 days due to COVID they will be unable to purchase any additional holidays under the scheme. If the COVID carry over is 3 days, staff may purchase 2 additional days under the scheme.)

4 Calculation of Salary Sacrifice

- 4.1 For a Full Time Salaried employee, the reduction is calculated by dividing the annual salary by the number of working days available during the year (260 working days) and multiplying this by the number of additional days to be purchased.

- 4.2 For a Part Time/ Hourly paid employee, the salary reduction is calculated by the hourly pay rate, multiplying this by the number of additional holiday hours to be purchased.
- 4.3 The value of the salary sacrifice is determined by the employee's basic salary at the start of each holiday year (hourly paid staff this is calculated on a basic standard rate) and will not be affected by any changes in basic salary during this time.

5 General Information

- 5.1 The employee's salary before any salary sacrifice reductions will be used when calculating any agreed pay review increases or bonus payments
- 5.2 New employees will be eligible to participate in the scheme following successful completion of their probation period.
- 5.3 If an employee leaves part way through a holiday year their contractual holiday entitlement is pro-rated according to their date of leaving.
- 5.4 Additional holiday purchased under this scheme will also be pro-rated in line with the employee's date of leaving (or withdrawal from the scheme in the event that salary sacrifice deductions take their earnings to or below the current National Minimum Wage rate).
- 5.5 Employees are reminded that a reduction in salary through a salary sacrifice scheme, may have an impact on benefits. Further information is available from the HR department.
- 5.6 If Fairways are asked to provide information in respect of your earnings for reference purposed (e.g. mortgage applications) the figure quoted will be salary after any salary sacrifice deductions.

6 Associated Documents

Employee Handbook
Holiday Purchase Request Form

