

LORETTO ANNUALISED HOURS POLICY		No. 43
Date reviewed: October 2019	Review Due: October 2022	Approved: Management Committee 1 March 2010

INTRODUCTION

Annualised hours are a flexible working option which allows an employee to work a total number of hours over a one-year period. The actual working hours may vary over the year, but it allows the employee to be paid the same amount each month.

The use of annualised hours' contracts can have benefits for both the employer and the employee:

- It can increase flexibility in meeting demand for services required or fluctuations in workload, which may make better use of resources and improve stakeholder satisfaction
- For employees it can provide a work life balance which still provides payment in equal instalments.

Annualised hours may be combined with other flexible working options, such as:

- Term time working
- Compressed hours
- Part-time

APPLICATION PROCEDURE

Employees wishing to apply to work under an annualised hours contract must use the application procedure under the Flexible Working Policy. Employees should ensure that they start the process well in advance of the date they would wish to commence should their application be successful and consider the information below.

- The number of hours per annum should be agreed.

A full time Loretto Care employee with less than 4 years' service wishing to change to annualised hours would be required to work 1670 hours per annum. This is calculated by:

Total Hours: (37.5 hours' x 52.143 weeks) =	1955 hours
Annual leave =	285 hours
Total hours worked =	1670 hours per annum

A full time Loretto Care employee with more than 4 years' service wishing to change to annualised hours would be required to work 1662.5 hours per annum. This is calculated by:

Total hours (37.5 hours' x 52.143 weeks) =	1955 hours
Annual leave =	292.5 hours
Total hours worked =	1662.5 hours

- Annualised hours may also be used for part-time employees. So for example **a part-time Loretto Care employee who currently works 20 hours per week** could convert to annualised hours:

Total hours: (20 hours' x 52.143 weeks) =	1043 hours
Annual leave: =	152 hours
Total hours worked: =	891 hours per annum

FLEXIBILITY

Hours may be worked as a proportion of fixed and flexible hours. For example, the Manager and employee may agree that a minimum number of hours are worked per week or at certain times of the year, with the remaining hours to be worked flexibly. An employee may apply to work their hours during term time, or alternatively at peak times of the year such as the end of the financial year.

Where a proportion of hours are worked flexibly, 4 weeks' notice will be given to the employee where the Manager requires hours worked. The employee is obliged to work these hours unless annual leave has been authorised or he/she is unable to attend due to sickness.

Annualised hours will be worked flexibly and according to the needs of the Service/Section. This may include working unsocial hours, weekends, nights and public holidays.

MONITORING OF HOURS

Employees on annualised hours' contracts should continue to complete a time sheet on a monthly basis. Hours worked should be monitored and signed off by the line manager on a monthly basis and a reconciliation made quarterly to ensure that by the end of the year, hours will have been met. Where it appears there may be a shortfall, an action plan should be completed to ensure this is rectified. If the hours exceed the required hours, TOIL will be given.

ANNUAL LEAVE

Annual leave will be calculated and will be specified in the contract of employment, along with the balance of hours required to work during the year. Annual leave entitlement is not deducted from actual hours required.

SICKNESS ABSENCE

Employees on annualised hours' contracts must follow standard reporting procedures.

Payment during sickness absence will be based on the employee's planned rota for the period.

SALARY

Basic salary will be payable in 12 equal monthly instalments. This will be paid regardless of the actual hours worked. If an employee leaves the organisation during the year, hours worked and payment made will be reconciled. Where there is a discrepancy, excessive hours will be paid for or overpayments will be deducted or reclaimed.

PENSION

For members of the pension scheme, pension contributions will continue to be calculated on pensionable earnings.

MONITORING AND REVIEW

The number of employees on annualised hours' contracts will be monitored by Human Resources. Section Heads will monitor use of annualised hours' contracts to ensure service needs are met.