



COUNCIL POLICY

Leave Management

Policy Number:	PO173		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	20/122/42
Responsible Officer:	Manager People, Culture and Safety	Minute Reference:	063/2024
Date Adopted:	13/03/2024	Next Review Date:	March 2028

1. POLICY OBJECTIVES

The purpose of this Policy is to provide a consistent approach to managing leave entitlements within Council including Long Service Leave (LSL), Annual Leave (A/L), Rostered Days Off (RDO) and Time Off In Lieu/Accrued Time (TOIL) to prevent accumulation of unjustifiable levels of accrued leave.

2. SCOPE

This Policy will be applied in conjunction with the LSL Act (SA) and relevant industrial instruments including Council's Enterprise Agreements and is relevant to:

- Employees who are employed on a permanent or fixed term contract; and
- Eligible casual employees for the purposes of LSL only.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Council has a responsibility to closely monitor A/L, LSL, RDO's and TOIL in order to reduce its leave liability and ensure leave credits do not accumulate beyond acceptable levels during the employment lifecycle of an employee.

There is a risk that when Employees do not use their allocated leave on a regular basis, this could result in an increased likelihood of sick leave and work related injuries occurring. Council has a duty of care to its staff to ensure regular breaks from work are taken.

The following general principles will be considered for all applications for leave:

- Council encourage employees to establish a balance between their personal and working lives, and to assist employees achieve this balance, A/L and LSL should be taken when it falls due;

- Permanent part-time employees are entitled to the same leave and absence entitlements as full-time employees in equivalent positions, except that leave will be paid on a pro rata basis as per relevant Enterprise Agreements;
- Where practicable, all absences must have prior approval;
- Employees should provide enough notice to allow their application (via an online elementTIME application) to be considered appropriately;
- Approvals should be considered fairly and equitably;
- All staff must take leave on a regular basis; and
- Employees' leave liability must be minimised.

5. GUIDELINES

5.1. Annual Leave

- a) A/L provides employees with the opportunity to take a scheduled break from work to better manage and balance their work and life.
- b) Employees should take their annual allocation of their A/L entitlement regularly each year as required in accordance with the applicable Enterprise Agreement to ensure A/L liability is minimised.
- c) A/L is to be taken at a time that is mutually agreed between the Supervisor and Employee, taking into consideration operational requirements. Where possible, sufficient notice should be provided when applying for A/L i.e. preferably four weeks before the commencement of leave, however, a shorter notice period may be approved in special circumstances.

5.1.1. Cashing Out of Annual Leave

- a) Employees have the ability to cash out in lieu of taking A/L as follows:
 - Employees cannot cash out more than two weeks in each 12 month periods unless more than 2 weeks is otherwise agreed by the Chief Executive Officer, and must have at least four weeks A/L entitlement left over after the cash out;
 - Employees cannot accumulate more than two years entitlement of A/L for the purpose of cashing out;
 - The payment for the cashed out A/L will be the same as what the employee would have been paid if they took the leave; and
 - Council will not force an employee to cash out A/L.
- b) Where an Employee indicates an interest in cashing out their Annual Leave, they should apply in writing by completing the SF396 Long Service and Annual Leave Cash Out Request and forward to the relevant Director.
- c) The SF396 Long Service and Annual Leave Cash Out Request will form a written agreement which is signed by the relevant employee, their Director and the Director Corporate and Community Services which includes:
 - Period of leave in lieu of which the payment has been paid;
 - Payment gross amount;

- Acknowledgement that the AL entitlement will be reduced by the number of hours detailed; and
- The new AL balance details which will be reduced in line with the request for cashed out AL being processed.

A copy of the completed SF396 Long Service and Annual Leave Cash Out Request will be forwarded to the Employee for their records and a copy held in the Employee's Personnel Payroll file.

5.2. Long Service Leave

- a) Employees accrue an entitlement to LSL in accordance with the LSL Act 1987.
- b) Employees may elect to use their LSL on a pro-rata basis following the completion of seven years' continuous service as per the relevant Enterprise Agreement.
- c) LSL should be taken as soon as practicable after the Employee becomes entitled to the leave at a mutually agreed time.
- d) Other than exceptional circumstances and where no other form of paid leave is available or appropriate, the minimum period of LSL that can be taken at any one time is one week.
- e) An Employee is required to provide a minimum period of one month's notice (unless otherwise approved) prior to taking LSL.
- f) To ensure that Employees have access to some entitlements for personal emergencies etc., Employees may elect to maintain, at all times, a credit of up to twelve weeks' LSL to a total of 456 hours (adjusted pro-rata for part time employees).
- g) The LSL Act 1987 specifies that employees cannot undertake paid work with any employer whilst on LSL.

5.2.1. Cashing out of Long Service Leave

- a) Where an Employee indicates an interest in cashing out their LSL, they should apply in writing by completing the SF396 Long Service and Annual Leave Cash Out Request and forward to the relevant Director. Cashing out LSL is only available once ten years' of continuous service has been completed by the relevant employee.
- b) Any approval to cash out part or all of an employee's LSL shall be made taking into consideration the reasons for the request and whether the Employee has other leave entitlements at a sufficient level to allow for rest and relaxation. Employees are strongly advised to speak with their financial/taxation advisor when considering cashing out LSL due to possible income taxation implications.
- c) The SF396 Long Service and Annual Leave Cash Out Request will form a written agreement which is signed by the relevant employee, their Director and the Director Corporate and Community Services which includes:
 - Period of leave in lieu of which the payment has been paid;
 - Payment gross amount;

- Acknowledgement that the LSL entitlement will be reduced by the number of hours detailed; and
- The new LSL balance details which will be reduced in line with the request for cashed out LSL being processed.

A copy of the completed SF396 Long Service and Annual Leave Cash Out Request will be forwarded to the Employee for their records and a copy held in the Employee's Personnel Payroll file.

5.3. Rostered Days Off (RDOs) and Time Off in Lieu (TOIL)

- a) Employees who are entitled to RDOs or TOIL will need to manage their entitlement balance.
- b) Employees may accumulate an additional three days in RDO's and/or TOIL time for time taken between the Christmas and New Year's Day period, where the employee may not be required to work.

5.4. Individual Leave Management Plans

- a) The Corporate Management Team (CMT) will be provided with quarterly Leave Balance Reports. Employee leave balances **should not exceed**:
 - **304 hours or eight weeks of A/L; or**
 - **456 hours or twelve weeks of LSL.**Hours above will need to be adjusted pro-rata for part time Employees.
- b) Unless otherwise agreed with the relevant Director and approved by the CEO, in line with Council's Enterprise Agreements, any Employee with an accumulated RDO or TOIL balance in excess of five days are to reduce the balance by taking some, at the minimum rate:
 - i. 4-10 deferred days within six months; and
 - ii. 11-15 deferred days within twelve months.
- c) Where an Employee's leave balance exceeds the above allowable thresholds, the Director will require relevant Managers to consult with Supervisors (if applicable) and Employees to discuss future leave arrangements. This discussion will need to be documented on the SF395 Individual Leave Management Plan which will include:
 - A schedule of when the Employee intends to take the excess leave; and
 - Reason for delaying any leave beyond twelve months from start of plan (the CEO will need to approve any delays).
- d) The SF395 Individual Leave Management Plan once completed will be returned to Human Resources to be saved on the Employee's Personnel Payroll file.
- e) If Employees have been unable to agree upon a plan or the Employee has not complied with an approved plan, the CEO may direct the employee to take the excess leave providing a minimum of 60 days' notice to the Employee.

6. COMPLAINTS

Complaints relating to this Policy can be made in writing to the Manager People Culture and Safety. All complaints will be managed in accordance with Council’s dispute/conflict resolution procedure contained in the relevant Enterprise Agreement.

7. REVIEW

This Policy will be reviewed every four years, in consultation with Employees and/or their representatives. The Policy will also be reviewed as deemed necessary in consideration to any changes to legislation, relevant standards, codes and guidelines, audit findings, any corrective actions/controls arising from risk assessment and/or hazard/incident reports and stakeholder feedback.

8. TRAINING

Appropriate training will be provided to employees to ensure that they are aware of their role and responsibilities under this Policy during induction.

9. RECORDS

Records shall be maintained as required by Council’s Records Management Policy (PO063) and relevant legislation.

10. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

- PO091 Risk Management Policy
- SF321 Application for Leave of Absence or online request via elementTIME
- SF395 Individual Leave Management Plan
- SF396 Long Service and Annual Leave Cash Out Request
- YPC Local Government Employees Enterprise Agreement
- YPC Municipal Officers Enterprise Agreement

11. REFERENCES AND LEGISLATION

- Fairwork Act (SA) 1994 Local Government Act 1999
- Local Government Employees Award
- Long Service Leave Act 1987
- South Australian Municipal Salaried Officers Award
- Work Health and Safety Act 2012

12. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/register/>

13. VERSION HISTORY

Version No	Issue Date	Description of Change
1	14/05/2020	New Policy
2	13/03/2024	Minor change and inclusion of complaints process.

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Enterprise Agreements	Includes: <ul style="list-style-type: none">• Yorke Peninsula Council Municipal Officers Enterprise Agreement; and• Yorke Peninsula Council Local Government Employees Enterprise Agreement.
elementTIME	Council online timesheet system.