WA Health Leave Management Policy

No Longer Applicable
Withdrawn Sept 2017
Title: WA Health Leave Management Policy

1. Background

Annual Leave, Long Service Leave and other leave provisions support employee wellbeing and are provided so that employees can take leave from the workplace to rest and recuperate in order to remain productive at work.

The substantial increase in leave liability over recent years suggests that employees are not clearing their leave entitlements as they accrue. This trend is a significant concern due to the potential impact on employee wellbeing and productivity and the correlating increase in financial liability which has a direct impact on the cost of delivering health services.

Western Australian Government Policy mandates that all public sector agencies have a continuing responsibility to contain the growth of leave liabilities. The WA Health Leave Management Policy supports this mandate.

WA Health’s intention is to ensure maximum opportunities are provided to clear leave before it becomes excess leave, on a yearly basis after an annual leave entitlement, and within three years following a long service entitlement.

The Leave Management Policy provides guidance to managers and employees on managing leave entitlements and includes additional management strategies and tools. For the purposes of this policy, leave management applies to Annual Leave (AL), Long Service Leave (LSL), Accrued Days Off (ADOs) and Time Off In Lieu (TOIL).

Eligibility for leave and the associated provisions are specified in the relevant Industrial Instruments. Refer to WA Health’s Awards and Agreements Library.

2. Scope

This policy applies to all persons employed in WA Health, which incorporates the following entities:

- Department of Health
- Metropolitan Health Services
- WA Country Health Service

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1 Government Focussed on Sound Financial Outcomes – 26 September 2012
3. Policy Statement

3.1 Employees are encouraged to take their leave entitlements as soon as practicable, preferably in the year in which it is accrued.

3.2 Taking into consideration the terms of the relevant Industrial Instrument, contracts of employment, and the Minimum Conditions of Employment Act 1993, WA Health entities will:

- Use available flexibility within existing Industrial Instruments to assist in managing leave entitlements.
- Closely monitor the utilisation of leave entitlements.
- Direct employees to reduce accumulated excess leave in accordance with the relevant Industrial Instrument.
- Use the Employee Leave Management Plan (ELMP) to manage excess leave, and seek authorisation for the deferral of clearing of excess leave as per the Uniform Human Resource Delegations for WA Health Entities.
- Consider and utilise a variety of leave management strategies to manage leave entitlements.

3.3 Subject to the applicable Industrial Instrument, to reduce leave liability, the following practices should be applied:

- AL – Employees aim to clear their AL entitlement during the calendar year i.e. the year in which it accrues. Excess AL is considered to be a balance in excess of twice the annual entitlement.
- LSL – Employees aim to clear their LSL entitlement as soon as practicable. Excess LSL is considered to be LSL not cleared within three (3) years of the date of entitlement.
- ADOs or Rostered Days Off (RDOs) – Employees should clear ADOs and RDOs within the roster period in which they have occurred.
- TOIL - Managers should avoid approving the accrual of TOIL by paying the applicable overtime and public holiday penalties at the time of accrual, subject to the terms of the applicable Industrial Instrument. Where TOIL does not accrue automatically under an Industrial Instrument, any accrual must be approved by the authorised delegate. Accrual of TOIL should not be approved unless accompanied by a plan to clear it. Employees should aim to clear TOIL within eight weeks.

3.4 Where excess leave is likely to arise, managers will meet with the employee to discuss the excess leave, and develop an agreed ELMP in accordance with the template at Appendix 1. The ELMP must address any outstanding ADOs and/or TOIL and must:

- Be confirmed within four weeks of the initial discussion between the manager and employee.
- Be submitted to the authorised delegate for consideration (deferral of clearing of excess leave must be authorised by the delegated officer as per the Uniform Human Resource Delegations for WA Health Entities).
- Be monitored and/or reviewed regularly with any revision re-endorsed by the authorised delegate; and
• Include appropriate strategies for clearing excess leave balances.

A copy of the ELMP should be retained by the manager and employee.

Once authorised, leave dates must be booked in the relevant Human Resource Information System.

3.5 Managers will consider and utilise the following leave management strategies in line with the relevant Industrial Instrument, the extent of ongoing leave liability, funding arrangements and operational requirements.

Strategies may include one or more of the following:

• Schedule future leave (including leave that will accrue over the ELMP timeframe) by:
  o An employee regularly booking and taking leave as single days (or in hours).
  o Implementing a roster that combines an employee’s reduced work hours and booked leave hours.

• Low Demand/Activity

Consider and initiate opportunities for staff to take leave during periods of low demand or business activity.

• Closedown Periods

Consider and initiate, having regard to the consultation requirements of the relevant Industrial Instrument, opportunities for a closedown during periods such as Christmas/New Year. Where required by an Industrial Instrument, specific notice periods and leave management apply.

• Cashing Out Leave

In determining the suitability of this option, the manager must:
  o Check the provisions of the employee’s Industrial Instrument and identify any associated specifications/limitations.
  o Consider each application on its merits.
  o Ascertain if there is sufficient funding to cover a cash payment request.

Contact local HR service if further information or clarification is required. Employees are encouraged to seek independent advice prior to making a decision to cash out leave entitlements.

To apply for cash out in lieu of leave, the Application to Cash out Leave Entitlements Form must be completed by the employee and is subject to approval by the authorised delegate.

• Leave relief or backfill

Industrial Instruments may include provisions regarding leave relief or backfilling. For example, the Department of Health Medical Practitioners (Metropolitan Health Services) AMA Industrial Agreement 2013 provides that leave vacancies will not be backfilled for leave that is two weeks or under except on urgent clinical or service grounds.
Refer to Appendix 2 and 3 of this Policy for further information.

3.6 WA Health entities will consider other ongoing leave management strategies including:

- Explaining the Leave Management Policy when orientating new employees.
- Providing opportunities, where possible, to train and up-skill employees in order to fill temporary vacancies during periods of leave.
- Actively planning for leave coverage.
- Encouraging employees planning extended periods of leave to discuss their leave plans as early as possible to ensure their leave plans can be accommodated.
- Identifying potential periods of low demand or business activity and encourage or direct, where such direction is available pursuant to the relevant Industrial Instrument, employees to take leave.
- Monitoring leave portability. Where a public sector employee is promoted, transferred, seconded or redeployed between agencies any annual, long service or sick leave accrued will be transferred to the new employer together with the appropriate payment representing the accrued entitlements.2

4. Definitions

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<tr>
<th>Term</th>
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<tr>
<td>Accrued Leave</td>
<td>Leave which is progressively accrued during the course of employment.</td>
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<td>Accrued Day Off (ADO)</td>
<td>An ADO is ordinary time worked which accumulates towards a paid day off.</td>
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<td>Employee Leave Management Plan (ELMP)</td>
<td>An ELMP is an agreement between the employee and employer to schedule leave which clears the excess component.</td>
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<td>Excess Annual Leave</td>
<td>Excess annual leave is considered to be a leave balance in excess of twice the annual entitlement, unless otherwise specified in the relevant Industrial Instrument.</td>
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<td>Excess Long Service Leave</td>
<td>Excess long service leave is considered to be leave not cleared within three years of the date of entitlement, unless otherwise specified in the relevant Industrial Instrument.</td>
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<td>Health Support Services (HSS)</td>
<td>HSS provides shared corporate services to WA Health, including employee benefits such as pay and leave entitlements.</td>
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<tr>
<td>Industrial Instrument</td>
<td>An Award or Industrial Agreement of the Western Australian Industrial Relations Commission.</td>
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2 Treasurer’s Instruction 520, available on the Department of Treasury website at www.treasury.wa.gov.au
Leave liability: For reporting purposes, the total amount of unused annual and long service leave (accrued and pro rata), ADOs and TOIL in hours, or the equivalent dollar amount, which is attributable to all employees of WA Health at a given point in time.

Manager: A generic title that refers to operational managers of a particular organisational unit. The Manager can also be referred to as a line manager or Organisational Unit Manager.

Pro Rata Leave: The proportion of annual leave that an employee is entitled to, in the current year from the date of commencement, or to the date of cessation.

RoStar: RoStar is a multi-user application that performs rostering and time keeping functions that interface with the Human Resource Information System.

Time Off In Lieu (TOIL): TOIL may be accrued by an employee when rostered to work on a public holiday or in substitution for payment of overtime.

5. Roles and responsibilities

5.1 Chief Executives and members of the State Health Executive Forum (SHEF) responsibility

Chief Executives and members of the SHEF are responsible for:

• Providing executive commitment to reducing and controlling WA Health’s leave liability.
• Actively considering and pursuing options to control leave liability growth.
• Establishing a leave management strategy that is formalised into an operating procedure appropriate for their services.

5.2 Manager’s Responsibility

Managers are responsible for:

• Reviewing excess AL, LSL, ADO and TOIL balances (refer to HR0060 – Leave Balance report) and implementing appropriate action to reduce leave liability with due regard to the impact on service delivery.
• Completing an ELMP in conjunction with the employee where required (Refer to Section 2.4).
• Maintaining a leave calendar schedule that is accessible by all employees and tailored to the work area.
• Regularly discussing AL and LSL balances, including ADOs and TOIL with employees and ensuring all leave, including ADOs and TOIL is taken in accordance with the applicable Industrial Instrument.

• Avoiding the accrual of TOIL by paying the applicable overtime and public holiday penalties at the time of accrual, subject to the terms of the applicable Industrial Instrument. Where TOIL does not accrue automatically under an Industrial Instrument, any accrual must be approved by the authorised delegate and accompanied by a plan to clear it.

• Ensuring decisions on leave requests:
  o Take into consideration work commitments, organisational priorities and operational requirements.
  o Take into consideration issues such as employee preference, needs and wellbeing, fairness and equity (e.g. prime holiday requests) and financial impact (e.g. cashing out leave).
  o Are made in accordance with the Industrial Instrument.

• Ensuring all employees book leave in accordance with requirements (Refer to Employee’s Responsibility below) and leave bookings are reflected in the relevant system (e.g. Rostar) as appropriate.

• Being familiar with employee leave conditions, and provisions for ADOs and TOIL, under the relevant Industrial Instrument.

• Following relevant local Health Service operating requirements.

Managers should be aware of section 25 of the Minimum Conditions of Employment Act 1993, which provides:

Annual leave, may be taken

(1) Where an employer and an employee have not agreed when the employee is to take his or her annual leave, subject to subsection (2), the employer is not to refuse the employee taking, at any time suitable to the employee, any period of annual leave the entitlement to which accrued more than 12 months before that time.

(2) The employee is to give the employer at least 2 weeks’ notice of the period during which the employee intends to take his or her leave.

This legislative provision emphasises the need for both managers and employees to reach agreement on how leave provisions are managed and when leave is taken.

5.3 Employee’s Responsibility

Employees are responsible for:

• Clearing any excess AL and LSL, ADOs and TOIL in accordance with this Policy.

• Completing an ELMP where required in conjunction with the manager (Refer to Section 2.4).
• Planning and/or scheduling accrued or future leave in consultation with the manager as soon as practicable. Employees can access information on their leave accruals through their MyHR page (Alesco users only) or their pay advice slip.

• Being familiar with the leave conditions and provisions for ADOs and TOIL in their Industrial Instrument.

• Complying with mandatory requirements for leave bookings by:
  o Completing a leave form (HSS eL3 form) for management approval; or
  o Submitting a leave booking through MyHR for management approval; or
  o Informing the manager to ensure the appropriate leave bookings are reflected in Rostar.

There are no other mechanisms to book leave. A list of HSS Leave Forms is available at https://healthpoint.hdwa.health.wa.gov.au/forms/Pages/default.aspx

An employee not satisfied with the management of their leave entitlements may lodge a dispute pursuant to the process provided by the dispute settlement procedure of their Industrial Instrument.

6. Evaluation

Health Service/Area excess leave performance is monitored for continuous improvement through the Health Service Performance Report.

7. Appendices

Appendix 1: A suggested Employee Leave Management Plan template.
Appendix 2: A summary of leave management provisions under each WA Health Industrial Instrument.
Appendix 3: A short summary of relevant AL, LSL and Cashing Out provisions for the major occupational groups within WA Health.

Appendix 2 and 3 provide leave entitlements for full time permanent employees and are only intended as a guide. Please refer to the Awards and Agreements Library for full details and conditions of employee leave entitlements, including for part time and casual employees.

If there is any doubt or disagreement about the interpretation of a leave provision, managers should contact local Human Resources.

8. Relevant legislation

• Industrial Relations Act 1979
• Minimum Conditions of Employment Act 1993
9. Related documents

- Department of Commerce, Labour Relations, Leave Liability Management for the Public Sector

- Uniform Human Resource Delegations for WA Health Entities

- Awards and Agreements Library

- Information Circulars for Purchased Leave:

- Local Operating Procedures

10. Authority

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<td>Contact: Local Health Service Workforce/Human Resources</td>
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<td>Directorate: Workforce Directorate</td>
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<td>Date Published: 03/12/2015</td>
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<td>Date of Last Review: 21/02/2014</td>
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<td>Date Next Review: 01/10/2020</td>
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