



Management of Accrued Leave Policy

1. Purpose

The *Management of Accrued Leave Policy* (the policy) sets out a consistent approach for managing accrued leave across WA health entities.

The policy outlines the responsibilities of WA Health entity employees in relation to the reduction of accrued leave. Leave liability is a significant concern due to the potential impact on employee wellbeing and productivity, as well as the correlating increase in financial liability which directly impacts the cost of delivering health services.

The policy aligns with the Department of Local Government, Industry Regulation and Safety (LGIRS), Government Sector Labour Relations (formerly Public Sector Labour Relations) Policy Statement – Management of Accrued Leave in the Public Sector (LGIRS Policy Statement). The policy provides leave management strategies to assist employees to take their Accrued Leave entitlements within a reasonable time, before it becomes Excess Leave, and in accordance with provisions of relevant Industrial Instruments. A list of Industrial Instruments can be found in the [Awards and Agreements Library](#).

Where there is any inconsistency between this policy and an Industrial Instrument or law, the Industrial Instrument or law will prevail.

For the purposes of the policy, leave management applies to Annual Leave and Long Service Leave.

This policy is a mandatory requirement for Health Service Providers under the *Employment Policy Framework* pursuant to section 26(2)(f) of the *Health Services Act 2016*.

This policy is also a mandatory requirement for the Department of Health pursuant to section 29 of the *Public Sector Management Act 1994*.

2. Applicability

This policy is applicable to WA health entities.

3. Policy Requirements

Subject to the provisions of the relevant Industrial Instrument, WA health entities must implement leave management strategies to ensure that:

- accrued employee Annual Leave entitlements do not exceed two entitlements; and
- each entitlement to Long Service Leave is taken within two years of being accrued, or three years if allowed by the relevant Industrial Instrument.

3.1. Chief Executive and Director General responsibility

Health Service Provider Chief Executives and the Director General must reduce and prevent the accrual of Excess Leave by monitoring leave accruals, and implementing leave management strategies. Excess Leave can be monitored for continuous improvement through the Health Service Performance Report, via the WA Health Monthly Dashboard Report.

3.2. Executive and managers responsibility

WA health entity Executives and managers must:

- monitor and review excess Annual Leave and Long Service Leave balances;
- implement appropriate action to reduce leave liability within their areas or work units;
- ensure managers and employees reach agreement on how leave provisions are managed and when leave is taken, in accordance with the *Minimum Conditions of Employment Act 1993 (WA)* and the relevant Industrial Instrument;
- familiarise themselves with applicable Industrial Instrument provisions regarding entitlement and accrual of Annual Leave and Long Service Leave;
- ensure employees apply for leave in accordance with the requirements at 3.3, subject to the relevant Industrial Instrument;
- when reviewing a leave application and prior to approval, consider:
 - reviewing the Leave Balances Report to reduce any Excess Leave;
 - organisational priorities;
 - employee preference for holiday periods;
 - fairness and equity;
 - financial impact for example, when leave is requested to be cashed out
 - relevant industrial provisions in the applicable Industrial Instrument.
- ensure approved leave applications are reflected in the relevant human resource information management system; and
- develop an Employee Leave Management Plan with employees who have an Excess Leave accrual. Refer to Section 6: Supporting Information document Employee Leave Management Plan Template.

Managers authorising payroll certification statements must review, as soon as practicable, the monthly Leave Balances Report. The Leave Balances Report assists managers to monitor employees' individual Excess Leave balances.

3.3. Employee responsibility

WA Health entity employees must:

- monitor and review their Annual Leave and Long Service Leave balances;
- familiarise themselves with their leave entitlements in their applicable Industrial Instrument;
- provide management with sufficient notice of future leave requests, to enable adequate workforce planning and facilitation of the approval of leave applications;
- comply with mandatory leave booking requirements by completing a timely leave application form for approval, or submitting a timely leave application request for approval.
- clear leave within a reasonable time, in accordance with the applicable Industrial Instrument and this policy; and
- complete an Employee Leave Management Plan if Excess Leave accrual exists, and in consultation with their manager, clear Excess Leave as soon as practical.

3.4. Leave management strategies

WA health entities must implement, where appropriate, the following leave management strategies to prevent the accrual of Excess Leave:

- Provide information about Accrued Leave entitlements and its management during orientation of new employees.
- Provide training and development to enable efficient backfill of temporary vacancies during periods of leave.
- Regularly assess staffing levels and leave patterns to maintain safe service delivery and minimise operational disruption.
- Plan for peak periods or seasonal fluctuations in demand to take leave entitlements. This may include appropriately staffing departments in anticipation of both planned and unplanned leave.
- Encourage early leave scheduling to maximise opportunities to initiate workplace planning and facilitate the approval of leave applications.
- Ensure employees schedule future leave before it becomes excessive.
- Monitor leave portability of promoted, transferred, seconded or redeployed employees between employing authorities.

WA health entities must implement, where appropriate, the following leave management strategies to reduce existing Excess Leave accruals:

- Encourage employees to schedule leave, ensuring that leave can be scheduled by:
 - considering the necessity of backfilling, such as not backfilling a vacancy of less than two weeks; and
 - where regular backfill is required, consider engaging permanent relief staff where appropriate.
- Encourage employees to schedule leave during periods of low demand congruent to fluctuations in operational activity.
- Pursuant to provisions of the applicable Industrial Instrument, schedule a closedown or slowdown during regular and planned periods of low demand such as Christmas/New Year (this strategy must consider applicable mandatory consultation requirements and notice periods).
- Consider the cashing out of Accrued Leave.
- Consider the necessity of purchased leave application requests in the context of existing employee leave liability.

4. Compliance Monitoring

The System Manager will monitor compliance with the policy by requiring WA health entities to provide leave liability data, in the form of balance and trends for each leave type, to a representative of the Chief Financial Officer on a monthly basis.

The System Manager will export monthly leave liability balances from the general ledger for reporting in the monthly WA Health Power BI Dashboard shared with Government.

The System Manager may also request additional information from WA health entities on leave balances, to ensure alignment with policy requirements.

5. Related Documents

The following documents are mandatory pursuant to this policy:

- N/A

6. Supporting Information

The following information is not mandatory but informs and/or supports the implementation of this policy:

- [Employee Leave Management Plan template](#)

7. Definitions

The following definition(s) are relevant to this policy.

Accrued Leave	Leave entitlements which accrue in alignment with an employee's tenure and in accordance with the applicable Industrial Instrument and are able to be accessed by the employee (i.e. taken or paid in lieu of taking leave).
Employee Leave Management Plan	An agreed plan between the employee and employer detailing how Excess Leave will be managed and cleared.
Excess Leave	An Annual Leave balance in excess of two accrued entitlements and/or a Long Service Leave balance which remains two or three years after the date of entitlement, according to the relevant Industrial Instrument.
WA Health Monthly Dashboard Report	A monthly report provided to payroll certification statement recipients that indicates Excess Leave balances, in accordance with the relevant Industrial Instrument.
Industrial Instrument	An Award or Industrial Agreement of the Western Australian Industrial Relations Commission applicable to WA health entities.
Leave liability	The total amount of unused Annual Leave and Long Service Leave in hours, or the equivalent dollar amount, which is attributable to all employees in a WA health entity, area or work unit at a given point in time.
Payroll certification statement	A statement that lists staff payments made in each pay period relevant to the respective organisational unit. Payroll certification statement recipients are required to review, update and certify the report.
WA health entity	WA health entities include: (i) Health Service Providers as established by an order made under section 32 (1)(b) of the <i>Health Services Act 2016</i> . (ii) The Department of Health as an administrative division of the State of Western Australia pursuant to section 35 of the <i>Public Sector Management Act 1994</i> .

8. Policy Contact

Enquiries relating to this policy may be directed to:

Title: Director, System-wide Industrial Relations

Directorate: Governance and System Support

Email: SWIR.Administration@health.wa.gov.au

9. Document Control

Version	Published date	Review date	Amendment(s)
MP 0100/18	22 November 2018	November 2020	Original version
MP 0100/18 v.1.1	29 May 2019	29 May 2019	Minor Amendment – Fixed broken links
MP 0100/18 v.2.0	23 February 2026	23 February 2029	Policy review and amendments as listed below.

- Purpose section refined and updated.
- Applicability section changed from Health Service Providers to WA health entities (HSPs and the Department of Health).
- Policy requirements 3.1, 3.2, 3.3 refined.
- Compliance monitoring section updated to reflect policy owner's responsibility to monitor policy compliance.
- Supporting Information document: Employment Leave Management Plan template updated.
- Definitions section: Inclusion of 'WA health entities' definition. Removal of 'Accrued Day Off,' 'Rostered Day Off' and 'Time Off In Lieu' definitions.
- Policy contact details updated.

Note: Mandatory policies that exceed the scheduled review date will continue to remain in effect.

10. Approval

Approval by	Dr David Russell-Weisz, Director General, Department of Health
Approval date	13 November 2018

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