

INTERNAL ONLY
ISLHD PROCEDURE
COVER SHEET



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TYPE OF DOCUMENT	Procedure
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FORMER REFERENCE(S)	PD 132 Leave Matters – Annual Leave – Managing Excessive Leave
EXECUTIVE SPONSOR or EXECUTIVE CLINICAL SPONSOR	Executive Director Strategic Improvement Programs
AUTHOR	ISLHD Workforce Relations Consultant
KEY TERMS	Excessive Annual Leave Annual Leave Reduction Plan Direction to take Annual Leave
SUMMARY	The purpose of this Procedure is to ensure a consistent and proactive approach to the management of excessive annual leave across ISLHD. It provides guidance to managers and employees on the management of annual leave and excessive annual leave.

COMPLIANCE WITH THIS DOCUMENT IS MANDATORY

Feedback about this document can be sent to
Corporate Policies: ISLHD-CorporateGovernance@health.nsw.gov.au

1. POLICY STATEMENT

The Illawarra Shoalhaven Local Health District (ISLHD) is committed to the health and wellbeing of employees, and supports employees taking annual leave as it falls due, consistent with the *Annual Holidays Act 1944*. Importantly, the NSW Government has issued directives for agencies to reduce annual leave balances, which ISLHD is committed to achieving.

The purpose of this procedure is to assist managers in ensuring that:

- Employees utilise their annual leave entitlement when it falls due;
- Annual leave is proactively managed to ensure that employees do not progress to have an excessive annual leave balance;
- Employees with excessive annual leave balances are actively managed in order to reduce their annual leave balance.

There are many reasons why annual leave should be taken regularly, and excessive annual leave proactively managed across ISLHD. Some of these reasons include:

- Employees need to take leave from the workplace to allow a period for rest and recreation which can improve employees' overall health and wellbeing;
- Employees are likely to return from annual leave refreshed and reinvigorated which can improve morale and productivity;
- Periods of regular annual leave often allows a career development opportunity for other employees to act in a position of higher grade or with differing responsibilities;
- When annual leave entitlements are not taken at regular intervals throughout the year it may be necessary for the employee to be directed to take annual leave;
- Accumulated leave balances increase the financial liability of ISLHD;
- On termination of employment, the payment of excessive annual leave is paid at the employee's current rate of pay which is an increased cost to ISLHD.

This procedure should be read in conjunction with *NSW Health Policy Directive PD2019_010 Leave Matters for the NSW Health Service*, particularly Section 2 Annual Leave.

2. DEFINITIONS

2.1 Definitions

“Acceptable Level of Annual Leave”: the accrual of annual leave (including additional / extra leave and pro rata leave) of 30 days or less.

“Additional or Extra Annual Leave”: leave that is accrued in addition to the 4 weeks annual leave per year under the *Annual Holidays Act 1944*.

“Cashing out Additional or Extra Annual Leave”: taking payment in lieu of taking additional or extra annual leave, as provided for in relevant Awards (does not apply to Trades Staff).

“Excessive Annual Leave”: the accrual of annual leave (including additional / extra leave and pro rata leave) greater than 30 days.

Note: The definitions of “Excessive Annual Leave” and “Acceptable Level of Annual Leave” apply equally to all employees, regardless of the annual leave entitlement under the relevant Award. i.e., whether an employee is entitled to 4 weeks, 5 weeks, or 6 weeks per year, an annual leave accrual greater than 30 days is considered excessive.

2.2 Annual Leave Accrual under Awards

Most employees are entitled to 4 weeks annual leave for each year of service, in accordance with the *Annual Holidays Act 1944*. Some NSW Health awards provide for additional annual leave beyond the standard 4 weeks. The additional or extra annual leave (together with pro-rata leave) is included as part of the employees’ entitlement when determining whether there is an acceptable or excessive annual leave balance.

Regardless of an employees’ entitlement to annual leave under the relevant award, annual leave accrual greater than 30 days is considered excessive. For example, an employee under the *Health Employees’ Conditions of Employment (State) Award* who is entitled to 4 weeks annual leave per year is deemed to have excessive annual leave if they have a balance greater than 30 days. A rotating shift roster employee under the *Public Health System Nurses’ and Midwives’ (State) Award* who is entitled to 6 weeks annual leave per year is also deemed to have excessive annual leave if they have a balance greater than 30 days.

In exceptional circumstance, approval (in line with the ISLHD Delegations Manual) may be provided for an employee to defer annual leave up to a maximum of 12 months from it becoming due (thus effectively giving an employee the opportunity to accrue leave up to a maximum of two years).

3. RESPONSIBILITIES

3.1 Employees will:

- Monitor their own annual leave balances (via payslips or StaffLink Employee Self Service (ESS));
- Plan to take their yearly entitlement of annual leave when it falls due, in consultation and discussion with their manager;
- Seek approval to utilise annual leave, and Request Leave online via SARA (Search And Request Anything) or the Application for Leave Form;
- Actively participate in the development of, and abide by, an Annual Leave Reduction Plan to reduce any excessive annual leave balance;
- Consider electing to have additional / extra annual leave cashed out (not available to Trades Staff), where applicable; and
- Follow a management direction to take annual leave.

3.2 Line Mangers will:

(Refer to Fact Sheet: [Managing Annual Leave and Excessive Annual Leave](#))

- Be responsible for the day-to-day management of annual leave;
- Contribute to the health and well-being of employees by ensuring that employees regularly take annual leave;
- Regularly review employees' annual leave balances, at least every 3 months;
- Ensure that annual leave management and approval is equitable;
- Consider the impact on service delivery when approving annual leave;
- Establish appropriate annual leave rosters allowing employees the opportunity to schedule leave up to one year ahead;
- Ensure that annual leave rosters and plans are discussed at team meetings;
- Ensure that annual leave plans are reviewed and discussed at annual Personal Effectiveness & Development (PED) reviews;
- Ensure that employees do not accrue excessive annual leave balances;
- Set targets to reduce any excessive annual leave, within reasonable timeframes;
- Ensure that employees prepare an Annual Leave Reduction Plan, where appropriate;
- Encourage employees to have additional / extra annual leave cashed out (not available to Trades Staff), where applicable;
- Direct employees to take annual leave, where appropriate; and
- Review all new appointments to ensure that transfer of leave entitlements from within the health system and NSW Government Sector are compliant with the *Government Sector Employment Regulation 2014* and *PD2019_010 Leave Matters for the NSW Health Service* and the [ISLHD Delegation Manual](#).

3.3 Level 2 and Level 3 leaders will:

- Identify and analyse the trends or significant variations for departments;
- Develop strategies to minimise the accrual of excessive annual leave;
- Establish expectations with managers about strategies for managing annual leave;
- Ensure managers are aware of the tools in place to manage excessive annual leave;
- Provide managers access to, or training in how to access, reports regarding employees or cost centres annual leave balances; and
- Ensure that management of excessive annual leave is discussed at annual Personal Effectiveness & Development (PED) reviews.

3.4 The Chief Executive will:

- Monitor and provide overall direction for the management of excessive annual leave;
- Ensure strategies are developed to minimise the accrual of excessive annual leave; and
- Ensure strategies are developed to reduce excessive annual leave balances.

3.5 Workforce Support will:

- Provide guidance to managers and the Executive regarding their responsibilities for the management of excessive annual leave.

3.6 Workforce Operations will:

- Develop procedures for the management of excessive annual leave;
- Develop tools for managers regarding the management of excessive annual leave;
- Ensure systems are in place that provide the necessary information for the effective and efficient management of excessive annual leave; and
- Provide District-wide reports to the ISLHD Executive regarding excessive annual leave accruals, as required.

4. PROCEDURE

4.1 Annual Leave

(Refer to Appendix 1: Checklist: Section 1: Management of Annual Leave (non-excessive))

Proactive management of annual leave can prevent employees' balances from becoming excessive. Managers should establish appropriate annual leave planners allowing employees the opportunity to schedule leave up to one year ahead. This should be made available to employees. Employees should be made aware that leave applied for in advance in relation to periods of high demand, such as school holidays, will be managed as equitably as possible and preference will not necessarily be given to those who have applied for leave in advance.

Managers should also raise and discuss annual leave planning as a set agenda item on team and unit meeting agendas. Managers should also ensure that annual leave plans are reviewed and discussed at annual Personal Effectiveness & Development (PED) reviews with employees.

Managers are responsible for reviewing annual leave balances regularly, at least every 3 months. This can be done via a report in StaffLink. The StaffLink [Manager Self Service User Guide](#) provides a step-by-step guide to running reports.

Where an employee has an annual leave balance over 20 days' entitlement, whilst this is not considered excessive annual leave, managers should still actively manage the situation to ensure the annual leave balance does not become excessive. This can be done by assessing the leave balance against the annual leave planner and leave applications, and via an informal discussion with the employee.

4.2 Excessive Annual Leave

(Refer to Appendix 1: Checklist: Section 2: Management of Excessive Annual Leave)

Excessive annual leave is defined as the accrual of annual leave (including additional / extra leave and pro rata leave) greater than 30 days. The below provides a guide for the management of employees with excessive annual leave:

Step 1. Identify excessive annual leave

Managers are responsible for identifying employees with excessive annual leave balances, and should review annual leave balances regularly, at least every 3 months.

This can be done via a report in StaffLink. The StaffLink [Manager Self Service User Guide](#) provides a step-by-step guide to running reports.

Once it has been established that an employee has excessive annual leave, managers need to actively manage the situation to ensure the annual leave balance is reduced to an acceptable level, i.e. 30 days or less.

Step 2. Discuss excessive annual leave

Managers should meet with the employee and advise them of their excessive annual leave accrual and discuss the importance of taking leave. The employee should be requested to prepare an Annual Leave Reduction Plan to set targets and ensure that leave accruals are reduced to an acceptable level, within a reasonable timeframe (refer to Step 3 for commentary on what is considered a reasonable timeframe).

After this meeting the manager should issue the employee with a memo (refer Appendix 3 - *ISLHD OPS F 381*) which confirms the discussion.

Managers should arrange a second meeting, providing enough time for an Annual Leave Reduction Plan to be developed. Two weeks is considered a reasonable timeframe.

Step 3. Prepare Annual Leave Reduction Plan

An Annual Leave Reduction Plan Template is available at Appendix 2 (*ISLHD OPS F 384*). The Annual Leave Reduction Plan should be developed in conjunction with the employee and the manager, and have clear targets for reducing the leave balance and the dates that leave will be taken.

When developing the Annual Leave Reduction Plan, pro-rata leave should also be taken into account as leave continues to accrue at the rate of 1 additional week for every 3 months of service. For example, if it is agreed that the employee is to take 4 weeks annual leave in 3 months' time, a further 1 week annual leave would have accrued during this time.

What is considered a reasonable timeframe to reduce the annual leave balance to an acceptable level will depend on the circumstances, such as the amount of excessive annual leave, the service delivery requirements of the department, and the agreement reached by the manager and the employee. If the employee has high amounts of excessive annual leave then a longer-term plan may be required, such as over a 6 month or 12 month period. For example, the employee may take 3 weeks annual leave every 3 months, thereby reducing the annual leave balance by 12 weeks over a 12 month period. Another option may be taking annual leave on a weekly basis, for example, 2 days per week over 10 weeks, thereby reducing the annual leave balance by 4 weeks over a 10 week period.

Step 4. If an Annual Leave Reduction Plan is not prepared

If the employee has not developed an Annual Leave Reduction Plan within a defined reasonable timeframe (e.g. 2 weeks), the manager should use the second meeting to discuss their failure to develop the plan and to discuss the implications of excessive annual leave. An extension of 1 week for the employee to develop the plan may be provided.

After this meeting the manager should issue the employee with a memo (refer Appendix 4 - *ISLHD OPS F 382*) to confirm discussions in the meeting.

Managers should arrange a third meeting, allowing for the 1 week extension, to discuss the Annual Leave Reduction Plan.

Step 5. Implement Annual Leave Reduction Plan

After the Annual Leave Reduction Plan has been developed, the manager should meet with the employee to discuss implementation of the plan (this can be done at the second meeting if the employee has prepared the Annual Leave Reduction Plan). The employee should also submit the relevant annual leave form(s) for approval.

Once the Annual Leave Reduction Plan is in operation, the manager and the employee should ensure that it is actively monitored and that the plan is being followed. It is recommended that the manager and the employee schedule regular meetings (e.g. monthly) to ensure that the balance is being sufficiently reduced. Amendments to the Annual Leave Reduction Plan may be needed.

Once the excessive annual leave balance has been reduced to an acceptable level, it is highly important that the manager and employee continue to monitor and manage annual leave in order to ensure that accruals remain at an acceptable level.

Step 6. Direct employee to take annual leave

Where an employee has failed to develop an Annual Leave Reduction Plan, or take their annual leave within a reasonable timeframe, the manager should then direct the employee on annual leave. Section 2.5 of *PD2019_010 Leave Matters for the NSW Health Service* provides that in most cases employees should be given not less than one month's notice of the date on which they should commence annual leave. The relevant Award must be checked prior to issuing such a direction, in order to determine the authority for the direction and the appropriate period of notice.

The manager should meet with the employee to advise them in advance that they will be directed onto annual leave, providing another opportunity for the manager and the employee to discuss the matter. The employee can be directed on annual leave until such time as their annual leave accrual has been reduced to an acceptable level.

After this meeting the manager should issue the employee with a memo (refer Appendix 5 - ISLHD OPS F 383) to confirm discussions in the meeting, and the period of annual leave that the employee is being directed to take. As outlined above, a minimum of one month's notice is generally required in accordance with the provisions of the relevant Award.

It is not necessary for a manager to direct an employee on annual leave where the employee has already been given approval to take annual leave within the near future and where the employee's annual leave accruals are at an acceptable level.

Should an employee refuse to follow the direction to proceed on annual leave, after appropriate discussions have been held, it may be appropriate for the manager to manage

the circumstances in line with *PD2018_031 Managing Misconduct*. The Workforce Support Team should be contacted for advice in this circumstance.

4.3 Payment in lieu of annual leave

Payment in lieu of annual leave is only available in particular circumstances, being:

Cashing out Accrued Additional Annual leave (not available for Trades Staff);
Payment of annual leave when transferring from an NSW Government Sector agency (refer section 4.4); and
Payment of annual leave at the date of termination.

Employees who are entitled to additional / extra leave, as per their award, must make an election to have the additional / extra leave paid out or accrued as part of their annual leave entitlement. Refer to *Fact Sheet: [Checking & Cashing Out Accrued Additional Annual Leave](#)*.

In addition refer to the following information bulletin for provisions applying to [Cashing Out Accrued Additional Leave](#).

4.4 Transfer of employees

Transferring to ISLHD from a NSW Government Sector agency

(Refer to Appendix 1: Checklist: Section 3: Employee Transferring to ISLHD from a NSW Government Sector Agency)

When transferring from a NSW Government Sector agency, where service is continuous, an employee can elect to be paid the whole or part of the money value of their accrued annual leave entitlement, or transfer their entitlement to ISLHD in line with the provisions of clause 29 of the *Government Sector Employment Regulation 2014*.

Where an employee elects to transfer their annual leave entitlement to ISLHD, the new manager should ascertain the employee's annual leave balance. Where there is an excessive annual leave balance, the employee should be encouraged to take leave from their former employer prior to commencing with ISLHD in order to minimise their excessive leave balance. It is recognised that this may delay the new employee commencing with ISLHD. Alternatively, *PD2019_010 Leave Matters for the NSW Health Service*, provides that ISLHD may require the new employee to take payment from the former employer for their annual leave balance in excess of 40 days (Section 18.1.2).

The monetary value of the leave being transferred will be paid by the former employer to ISLHD, however it is paid at the rate that was paid to the employee by the former employer and not at the rate of the position with ISLHD. When an employee transfers to a

promotional position, ISLHD does not receive the full cost of the annual leave being transferred.

In limited circumstances, leave in excess of 40 days may be transferred to ISLHD. Where an employee transfers with a balance greater than 30 days, the manager should manage the employee for excessive annual leave upon commencement with ISLHD.

4.5 Change in work hours

Section 2.5.1 of *PD2019_010 Leave Matters for the NSW Health Service* sets out the arrangements that apply when employees change work hours.

Where an employee reduces their hours, e.g. full-time to part-time, they should be requested to take any annual leave owing as soon as possible (excessive and non-excessive annual leave). Ideally, the annual leave should be reduced prior to commencing the reduced hours arrangement. If not, an Annual Leave Reduction Plan may need to be developed so that the employee can reduce their balance. The leave being transferred should be taken within 12 months of the transfer, and is to be paid at the previous hours' arrangement e.g. at the full-time rate.

Where a part-time employee takes up full-time employment, they should take all accrued annual leave at the time of the transfer to the new arrangement and prior to commencing full-time hours.

4.6 Long Service Leave (LSL) and Leave without pay (LWOP) approval

Employees should be strongly encouraged to take their excessive annual leave prior to taking long service leave.

Excessive annual leave should be taken prior to any approval for leave without pay being given. Additionally, employees should be strongly encouraged to utilise their non-excessive annual leave and long service leave prior to taking leave without pay.

4.7 Impact on service delivery

Managers should consider the activity of the department and determine periods of low activity e.g. Christmas / New Year closedown. Managers should wherever possible and appropriate, release employees not involved in the delivery of essential services to take full advantage of low activity periods. Employees with excessive annual leave should be directed to take leave during these periods, where appropriate.

Management of excessive annual leave balances of employees who are involved in direct patient care may require specific consideration. In these situations, strategies for managing excessive annual leave can be dependent on a range of factors including patient load,

seasonal variation in clinical activity, and ability to back fill during the leave. Managers are responsible for ensuring that appropriate and safe levels of clinical services are maintained to ensure continuity of clinical care. Managers should ensure they have annual planning in place to ensure appropriate staffing levels are maintained across a 12 month period.

5. DOCUMENTATION

[Application for Leave Form](#)

[Appendix 1 – Excessive Annual Leave – Checklist \(ISLHD OPS F 400\)](#)

[Appendix 2 – Annual Leave Reduction Plan \(ISLHD OPS F 384\)](#)

[Appendix 3 – Memo – Annual Leave Reduction Plan \(ISLHD OPS F 381\)](#)

[Appendix 4 – Memo – Annual Leave Reduction Plan – Extension of Deadline \(ISLHD OPS F 382\)](#)

[Appendix 5 – Memo – Direction to take Annual Leave \(ISLHD OPS F 383\)](#)

6. AUDIT

Not required

7. REFERENCES

Annual Holidays Act 1944

http://www.austlii.edu.au/au/legis/nsw/consol_act/aha1944163/

Government Sector Employment Regulation 2014

http://www.austlii.edu.au/au/legis/nsw/consol_act/gsea2013346/

[NSW Health Policy Directive PD2019_010 Leave Matters for the NSW Health Service](#)

Relevant Industrial instruments, Awards and Determinations

<https://www.health.nsw.gov.au/careers/conditions/Pages/default.aspx>

Fact Sheet: [Managing Annual Leave & Excessive Annual Leave](#)

Fact Sheet: [Checking & Cashing Out Accrued Additional Annual Leave](#)

StaffLink User Guide: [Manager Self Service User Guide](#)

8. REVISION & APPROVAL HISTORY

Date	Revision No.	Author and Approval / Date
August 14	0	Kestrel Brown, Workplace Relations Consultant Approved for publishing by Henry Kornacki – Director of Finance
July 2016	1	Kestrel Brown, Workforce Relations & Legal Manager
July 2019	2	Kerrie Guivarra, Workforce Relations Consultant

Managing Excessive Annual Leave

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Appendix 1 – Excessive Annual Leave – Checklist

(Form to be printed from Forms and Templates – Human Resources)

Managing Excessive Annual Leave Checklist

Section 1. Management of Annual Leave (non- excessive)

(Refer to ISLHD OPS ROC 72 – Section 4.1)

Employee Name:				
DATE	TRIGGER	ACTION	PERSON RESPONSIBLE	ADDITIONAL COMMENTS
	Step 1 – Review of Annual Leave Balances Identify employees with more than 20 days' Annual Leave accrual	<input type="checkbox"/> Run annual leave report through StaffLink Manager Self Service (MSS) (every 3 months). <input type="checkbox"/> Identify employees with annual leave balances of 20 days' accrual (i.e. 4 weeks). <input type="checkbox"/> Assess against annual leave planner/leave applications.	Manager	
	Step 2 – Discuss Annual Leave options	<input type="checkbox"/> Have an informal conversation with the employee about their annual leave balance, ask that they consider scheduling some annual leave. <input type="checkbox"/> Discuss the option of cashing out some or all of their accrued additional leave (minimum of 1 week) (Not available to Trades Staff).	Manager	

Section 2 – Management of Excessive Annual Leave

DATE	TRIGGER	ACTION	PERSON RESPONSIBLE	ADDITIONAL COMMENTS
	Step 1 – Identify Excessive Annual Leave. Identify employees with accrual of annual leave (including additional/extra or pro-rata leave) greater than 30 days.	<input type="checkbox"/> Run annual leave report through StaffLink Manager Self Service (MSS) (every 3 months). <input type="checkbox"/> Identify employees with annual leave balances of 30 days' accrual (i.e. 6 weeks). <input type="checkbox"/> Assess against annual leave planner/leave applications.	Manager	
	Step 2 - Discuss Excessive Annual Leave	<input type="checkbox"/> Have an informal conversation with the employee about their annual leave balance, ask that they consider scheduling some annual leave. If necessary provide examples of Leave Reduction Plans. <input type="checkbox"/> Discuss the option of cashing out some or all of their accrued additional leave (minimum of 1 week) (Not available to Trades Staff). <input type="checkbox"/> Request the employee to prepare an Annual Leave Reduction Plan (ISLHD OPS F 384) <input type="checkbox"/> Issue the employee with a memo which confirms the discussion (ISLHD OPS F 381) <input type="checkbox"/> Schedule in meeting with employee for 2 weeks' time to discuss Annual Leave Reduction Plan.	Manager	
	Step 3 – Prepare Annual Leave Reduction Plan	<input type="checkbox"/> Employee develops an Annual Leave Reduction Plan <input type="checkbox"/> Should employee request assistance, develop the Annual Leave Reduction Plan in conjunction with the employee.	Employee/Manager	

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DATE	TRIGGER	ACTION	PERSON RESPONSIBLE	ADDITIONAL COMMENTS
	Step 4 – If an Annual Leave Reduction Plan is not prepared	<ul style="list-style-type: none"> <input type="checkbox"/> Use the second meeting to discuss employees' failure to develop the plan (an extension of 1 week to may be provided). <input type="checkbox"/> Issue the employee with a memo to confirm the discussion (ISLHD OPS F 382). <input type="checkbox"/> If extension granted, schedule third meeting to discuss the Annual Leave Reduction Plan. 	Manager	
	Step 5 – Implement Annual Leave Reduction Plan	<ul style="list-style-type: none"> <input type="checkbox"/> Meet with employee to discuss implementation of the plan. <input type="checkbox"/> Approve, where appropriate, annual leave forms submitted. <input type="checkbox"/> Actively monitor that the plan is being followed. <input type="checkbox"/> If necessary, meet with the employee regularly (e.g. monthly) 		
	Step 6 – Directing Employee to take Annual Leave. Direct employee to take annual leave where an employee has failed to develop an Annual Leave Reduction Plan, or take their excessive annual leave within a reasonable timeframe	<ul style="list-style-type: none"> <input type="checkbox"/> Check the relevant award requirements for directing employees onto annual leave. <input type="checkbox"/> Meet with the employee to advise that they will be directed onto annual leave. <input type="checkbox"/> Issue the employee with a memo to confirm the discussion, and the period of annual leave that the employee (the relevant award must be checked. Generally, at least one months' notice must be given). (ISLHD OPS F 383). <input type="checkbox"/> Manage any refusals to follow the direction in line with the Managing Misconduct process in conjunction with your Workforce Support Team. 		

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Section 3 – Employee Transferring to ISLHD from a NSW Government Sector Agency

(Refer to ISLHD OPS PROC 72 – Section 4.4)

(Refer to clause 29 of the Government Sector Employment Regulation 2014)

DATE	TRIGGER	ACTION	PERSON RESPONSIBLE	ADDITIONAL RESOURCES
	Step 1 – Employee election to be paid annual leave	<input type="checkbox"/> New employee has elected to be paid out their whole annual leave entitlement prior to transfer. No further action required	Previous employer	
	Step 2 – Employee election to transfer Annual Leave	<input type="checkbox"/> New employee has elected to transfer annual leave. <input type="checkbox"/> Discuss with previous manager to identify whether there is excessive annual leave. <input type="checkbox"/> Encourage employee to take leave from former employer prior to commencing employment with ISLHD. <input type="checkbox"/> Consider option of requiring employee to take payment from former employer for annual leave in excess of 40 days. Note: Where an employee transfer with a balance greater than 30 days, manage the employee for excessive annual leave upon commencement with ISLHD. Refer to Section 2 of Excessive Annual Leave Checklist.	Manager	

Section 4 – Employee Transferring within ISLHD or within NSW Health

(Refer to ISLHD OPS PROC 72 – Section 4.4)

(Refer to clause 29 of the Government Sector Employment Regulation 2014)

DATE	TRIGGER	ACTION	PERSON RESPONSIBLE	ADDITIONAL COMMENTS
	Step 1 - Employee transferring within ISLHD or NSW Health.	<input type="checkbox"/> Discussion held with employee and former manager regarding excessive annual leave prior to transfer. <input type="checkbox"/> Discuss the option of cashing out some or all of their accrued additional leave (minimum of 1 week) (Not available to Trades Staff). <input type="checkbox"/> New employee should be encouraged to take annual leave in excess of 40 days prior to commencing new role Note: Where an employee transfer with a balance greater than 30 days, manage the employee for excessive annual leave upon commencement with ISLHD. Refer to Section 2 of Excessive Annual Leave Checklist.	New Manager	Employees transferring from another division of NSW Health, the monetary value of the leave being transferred will be paid to ISLHD. NB: Taking of annual leave in excess of 40 days may delay the commencement of the new employee.

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Appendix 2 – Annual Leave Reduction Plan

(Form to be printed from Forms and Templates – Human Resources)

**Annual Leave
 Reduction Plan**



**This Annual Leave Reduction Plan should be prepared in accordance with ISLHD OPS PROC 72
 Annual Leave – Managing Excessive Annual Leave**

Employee Name:	Employee No:
Position Title:	Department:
Facility:	Cost centre No:
Full-time / part-time	Permanent / Temporary

As discussed, your Annual Leave Balance as at _____ (date) is considered excessive ^(*)

Your total annual leave balance (including pro-rata) as at _____ (date) is:	_____ hours (i.e. ____ days)
Your additional / extra leave balance as at _____ (date) is:	_____ hours (i.e. ____ days)
Your Excessive Annual Leave balance as at _____ (date) is:	_____ hours (i.e. ____ days)
Your projected annual leave balance to _____ (date) will be:	_____ hours (i.e. ____ days)

In discussions, we have agreed on the following leave plan:

Reduction target by _____ (date):		_____ hours (i.e. ____ days)
Planned Annual Leave to be taken:		
From	To	Hours (approx. days)
/ /	/ /	_____ hours (i.e. ____ days)
/ /	/ /	_____ hours (i.e. ____ days)
Manager's Name & Signature:		
Date:		
Employee's Signature:		
Date:		
Comments:		

^(*) Excessive Annual Leave is the accrual of annual leave (including additional / extra leave and pro rata leave) greater than 30 days.

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Appendix 3 – Memo – Annual Leave Reduction Plan

(Form to be printed from Forms and Templates – Human Resources)



memo

[Division], [Branch]

[Reference]

TO [insert employee name]

FROM [insert manager name and title]

SUBJECT Annual Leave Reduction Plan

I refer to our meeting on [insert date] where we discussed that ISLHD's records indicate that you have a current annual leave balance (including pro rata and additional / extra leave) of [insert annual leave accrual in days] days.

The accrual of annual leave (including additional / extra leave and pro rata leave) greater than 30 days is considered excessive. As your current leave balances are considered excessive, it is necessary for you to reduce this balance to an acceptable level, i.e. 30 days or less.

I am sure you can appreciate that the accumulation of such excessive leave balances can have an adverse effect not only on service delivery within our department, but also on your overall health and wellbeing. I therefore ask that you develop an Annual Leave Reduction Plan, in conjunction with myself [or insert alternative name if appropriate], indicating when you will be taking leave in the near future. Could you please forward me a copy of your proposed plan within 2 weeks of this memo, together with your leave application form(s).

If an acceptable Annual Leave Reduction Plan is not received, it may result in a direction for you to proceed on annual leave, in line with *ISLHD OPS PROC 72 Annual Leave – Managing Excessive Annual Leave*, until the balance is reduced to an acceptable level.

If you wish to discuss further, please feel free to contact me on [insert phone number].

[Name]

[Title]

Date:

Illawarra Shoalhaven Local Health District

Tel (02) 4221 6899 Fax (02) 4221 6868 Email ISLHD-TRIM@sestahs.health.nsw.gov.au

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Appendix 4 – Memo – Direction to Take Annual Leave

(Form to be printed from Forms and Templates – Human Resources)



memo

[Division], [Branch]

[Reference]

TO [insert employee name]

FROM [insert manager name and title]

SUBJECT Excessive Annual Leave – Direction to take Annual Leave

In our meeting/s on [insert date/s] we discussed that ISLHD's records indicate that you have a current annual leave balance (including pro rata and additional / extra leave) of [insert annual leave accrual in days] days. As you are aware, the accrual of annual leave (including additional / extra leave and pro rata leave) greater than 30 days is considered excessive, and this balance needs to be reduced to an acceptable level.

You have been asked to develop an Annual Leave Reduction Plan, indicating when you will be taking leave in the near future and forward me a copy of an acceptable plan, together with your leave application form. To date, despite my further request for this information, you have not discussed this with me [or insert alternative name if appropriate] and/or provided a plan.

I am sure you can appreciate that the accumulation of such excessive leave balances can have an adverse effect not only on service delivery within our department, but also on your overall health and wellbeing.

As you have not provided an Annual Leave Reduction Plan, I am now directing you to proceed on annual leave effective from [insert date] until [insert date] (**Note: ensure that at least 1 month notice, from start of annual leave date, is provided**). This direction is in accordance with [check Award and insert clause number and name of relevant Award] and *ISLHD OPS PROC 72 Annual Leave – Managing Excessive Annual Leave*.

Upon your return from leave, my expectation is that you keep your annual leave balance at an acceptable level in the future.

If you wish to discuss further, please feel free to contact me on [insert phone number].

[Name]

[Title]

Date:

Illawarra Shoalhaven Local Health District

Tel (02) 4221 6889 Fax (02) 4221 6865 Email ISLHD-TRIM@sestahs.health.nsw.gov.au