



## Annualised Hours Procedure

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## 1. Aims and Objectives

- 1.1. The Trust acknowledges the benefits flexible working brings in supporting colleagues with a positive work/life balance and is committed to facilitating and exploring annualised hours opportunities where these can be reasonably accommodated.
- 1.2. Annualised hours allow staff to work a set number of hours over a year, rather than weekly. The flexibility of when the hours are worked can help meet peaks and troughs in service demand or support staff in managing commitments outside of work.
- 1.3. This procedure details the arrangements for colleagues on annualised hours agreements and should be read in conjunction with the [Flexible Working Policy](#).

## 2. Scope

- 2.1. This procedure is applicable to all employees of the Trust who are undertaking Annualised Hours.

## 3. Definitions

- 3.1. Annualised hours provide a way of organising working time over a 12-month period. Colleagues will work an agreed total number of hours over the course of the year. The actual number of hours worked from week to week will vary.
- 3.2. The annualised hours period runs from 01 April to 31 March.
- 3.3. The total contracted hours to be worked over the year will include annual leave entitlement.

## 4. Principles

Annualised hours:

- 4.1. Requests will be made, considered and responded to in-line with the Trusts [Flexible Working Policy](#).
- 4.2. Contracts are a permanent variation to the employment contract.
- 4.3. Provide more flexibility in working hours than a standard contract but include a commitment to a minimum number of overall hours
- 4.4. Will be worked flexibly and according to the needs of the service which may include working unsocial hours.
- 4.5. Contracts should be reviewed quarterly and annually. Any deficit in hours will be actioned in line with section 7.
- 4.6. Where service needs change and an adjustment or withdrawal of an annualised hours agreement is considered, managers will follow appropriate consultation, as per the Trusts [Organisational Change Policy & Procedure](#). In such cases, appropriate notice will be provided for any essential change to the details of an agreement that cannot be agreed in advance by both parties.

## 5. Responsibilities

### 5.1. Colleagues

- Ensure that a request for annualised hours is made to their line Manager, via a flexible working application, detailing how the hours requested are to be worked.
- Seek advice from the NHS Pension/NEST to understand the impact of such changes on their individual pension entitlements and/or seek independent financial advice.
- Monitor and fulfil the agreed contractual hours of work. If they leave the Trust, they should ensure they have worked the correct number of hours pro rata'd up to their leaving date.
- Complete a monthly timesheet.
- Provide availability hours at a minimum of 6 weeks in advance.
- Request annual leave in line with the [Annual Leave Policy](#).

### 5.2. Managers

- Must consider and respond to all annualised hours requests in line with the [Flexible Working Policy](#)
- Complete a staff changes form to action the annualised hours agreement and any subsequent changes/ overpayments.

- Ensure regular monitoring and quarterly reviews of annualised hours worked (see section 7), ensuring hours deficit total no more than 37.5 hours (pro rata'd for part time colleagues) by 31 March.
- Ensure that if a team member leaves the Trust, their annualised hours total is as close to zero as practically possible.
- Ensure that annualised hours workers have equitable access to training and development opportunities.

### 5.3. Scheduling Department

- Provide details on the capacity to agree an annualised hour request in respect of operational staff.
- Provide an annualised hours report on a quarterly basis.

### 5.4. Human Resources

- Provide advice and guidance in all aspects of this procedure.
- Monitor the application of the Procedure to ensure a consistent approach to decision making.
- Attend all formal annualised hours meetings.

## 6. Pay and Benefits

- 6.1. Basic salary will be paid in 12 equal payments throughout the year, regardless of hours worked in a particular month, with any enhancements payable in arrears.
- 6.2. Where working hours are below full-time 37.5 hours, pay and benefits will be reduced pro rata accordingly.
- 6.3. Where unsocial hours are worked these will be paid retrospectively in accordance with Section 2 or Annex 5 of the [NHS Terms and Conditions of Service Handbook | NHS Employers](#).
- 6.4. Should an individual work an incentive shift, applicable hours will be paid as per the advertised incentive rate in line with the [Shift Incentive Procedure](#).

## 7. Working Pattern

- 7.1. Colleagues can request to work at times that are convenient for them, although this needs to be balanced with those of the service. Colleagues should advise on their maximum availability in writing to their line manager/ scheduling, as applicable, at a minimum of six weeks and up to a maximum of 12 months in advance of a shift identifying:
  - Dates and hours of availability
  - Preferred location to work and any flexibility with this

- 7.2. Shifts will be allocated and confirmed 28 days prior to the shift. The Trust will aim to accommodate a request to move or cancel an allocated shift. Cancellations within the 28-day period for booked shifts should only occur due to exceptional circumstances authorised by a senior manager.
- 7.3. Colleagues may not cancel and then re-book the same or similar shift, in order to claim an incentive payment.
- 7.4. All hours worked and annual leave count towards the annualised hours total. Annual leave to be requested following the minimum six-week notification of availability (see section 7.1).
- 7.5. Any accrued Time off in Lieu (TOIL) will require the colleague to inform their manager/ Scheduling that they wish to have these hours removed from their yearly total. (See Time off in Lieu Policy)
- 7.6. A quarterly review will be held between the individual and their line manager, to review both the number of hours worked and the number of hours still to be worked in the annualised hours period.
- 7.7. Where there is a shortfall in the quarterly hours, agreement should be reached on how additional hours can be worked in the next quarter or over the remainder of annualised hours period to ensure the colleague will be in accordance with their contractual hours by the end of the financial year.
- 7.8. Where colleagues have a deficit in hours in quarter 4, the following will be considered at a formal meeting:
  - An adjustment to salary for deficit in hours, in line with the [Over and Underpayments of Salary Procedure](#).
  - Colleagues working an annualised contract on a full-time basis can carry forward up to 37.5 hours (one week) into the next annualised hours period. This figure is pro rata'd for part-time colleagues based on their average weekly working hours. Further carry over will be considered by a senior manager.
  - Reduction of contracted hours or withdrawal of the annualised hours agreement - HR Advice must be sought where this is being considered.

## 8. Overtime

- 8.1. In circumstances where a colleague exhausts their annualised hours, any additional hours worked will be paid at plain time rates until their hours, when averaged, have exceeded 37.5 hours a week at which point they will be entitled to overtime enhancements in line with Section 3 of the [NHS Terms and Conditions of Service Handbook | NHS Employers](#).

- 8.2. Where a colleague is appointed part way through the annualised hours period it will be necessary to pro rata the annual overtime threshold to determine when overtime enhancements would be payable during the initial year.

## **9. Sickness**

- 9.1. Where sickness absence occurs on an allocated shift a colleague should enter their rostered hours on their timesheet.
- 9.2. If sickness absence continues beyond the period for which working hours had been planned and allocated, the weekly contracted hours should be used for the remaining duration of the absence.

## **10. Training Courses**

- 10.1. Where colleagues are abstracted for a period of training these hours will be deducted from their total contracted annual hours.

## **11. Termination of Agreement**

- 11.1. Where a colleague leaves the Trust, moves from one post to another within the Trust or ceases to hold an annualised hours agreement, their salary will be recalculated to reflect actual hours worked. Any overpayment will be recovered following a discussion with the colleague, and any additional hours worked will be paid.

## **12. Monitoring Compliance**

- 12.1. Compliance with this procedure will be monitored by the appropriate line manager and any issues will be raised with the responsible manager and/or the relevant directorate.

## **13. Audit and Review (evaluating effectiveness)**

- 13.1. All policies have their effectiveness audited by the HR SLT at regular intervals, and initially six months after a new policy is approved and disseminated.
- 13.2. Effectiveness will be reviewed using the tools set out in the Trust's Policy and Procedure for the Development and Management of Trust Policies and Procedures (also known as the Policy on Policies).
- 13.3. This document will be reviewed in its entirety every three years or sooner if new legislation, codes of practice or national standards are introduced, or if feedback from colleagues indicates that the policy is not working effectively.

- 13.4 All changes made to this procedure will go through the governance route for development and approval as set out in the Policy on Policies.

## 14. Associated Trust Documentation

- [Flexible Working Policy](#)
- [Annual Leave Policy](#)
- TOIL Policy
- [Shift incentive Procedure](#)
- Unsocial Hours Policy
- [Working Time Directive Policy](#)
- [Organisational Change Policy](#)

## 15. References

- [NHS Terms and Conditions Handbook \(Section 33\)](#)
- [Employment Rights Act 1996](#)
- [Equality Act 2010](#)
- [Flexible Working Regulations 2014](#)

## 16. Financial Checkpoint

- 16.1. This document has been confirmed by Finance to have no unbudgeted financial implications.

## 17. Equality Analysis

- 17.1. The Trust believes in fairness and equality, and values diversity in its role as both a provider of services and as an employer. The Trust aims to provide accessible services that respect the needs of each individual and exclude no-one. It is committed to comply with the Human Rights Act and to meeting the Equality Act 2010, which identifies the following nine protected characteristics: Age, Disability, Race, Religion and Belief, Gender Reassignment, Sexual Orientation, Sex, Marriage and Civil Partnership and Pregnancy and Maternity.
- 17.2. Compliance with the Public Sector Equality Duty: If a contractor carries out functions of a public nature, then for the duration of the contract, the contractor or supplier would itself be considered a public authority and have the duty to comply with the equalities duties when carrying out those functions.