**PROCEDURE FOR THE CALCULATION OF TERM TIME ONLY PAYMENTS**

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| Version Control | Changes Made | Author |
| Version 1 – April 2023 |  | HR/OD |

The Council pays term time only employees equated pay (the same amount each month regardless of actual hours worked) and previously did not adjust pay calculations for employees who started or left part way through the year. Following a review, the NJC for Local Government Services have developed a methodology / principle for calculating term time pay (and leave). This has now been incorporated into the Green Book to be adopted locally by Councils. This guidance outlines how this should be applied for Cumbria County Council.

Attached is an example of how the calculation should be made followed by a pro-forma which shows the steps to be followed to calculate whether there is an under payment or an overpayment. If there is an underpayment then the money should be paid to the individual in their final salary payment. If there is an overpayment then this will need to be taken into account in their final salary payment.

Rather than doing a calculation at both the beginning and end of the employment it has been decided that the re-calculation will take place when the employment ends and the anniversary of the persons start date will be used so that completed years are paid on an equated pay basis up until the last year.

Please note – if employees are moving from one VC or Community school to another, without a break in service, then there will not be a requirement to undertake the calculation as their service is continuous.

EXAMPLE 1

**Personal information**

|  |  |  |
| --- | --- | --- |
| A | Start Date Anniversary (Before Leaving date) | 21/02/2019 |
| B | Leaving date | 30/04/2019 |
| C | Number of years service | 7 |
| D | Hourly rate | 10.00 |
| E | Hours worked per week | 19.5 weekly 3.9 daily |
| F | Term time weeks | 39 |
| G | Annual leave entitlement (from pro-rate leave calculator appendix 1)  \* If the employees birthday is during the calculation period, and they have less than 5 years service, use the higher leave entitlement. | \*6.654 |

**To calculate the equated pay already paid to the individual**

|  |  |  |
| --- | --- | --- |
| H | Annual Salary  = (Weeks worked + Annual Leave entitlement) x (Hourly rate x Hours worked per week)  = (F + G) x (D x E) | = (F + G) x (D x E)  =(39 + 6.654) x (£10 x 19.50)  = 45.654 x £195  = £8,902.53 |
| I | Equated pay per month  = H/ 12 | = H/ 12  = £8,902.53 / 12  = £741.877 per month |
| J | Equated pay in the period  = I x Months in period  Note: Part months calculated by day of leaving/ number of days in that month e.g 30 for April  2 full months plus 7/30 = 2.2333 | = I x Months in period  = Monthly salary x 2.2333 months  = £741.877 x 2.233  = £1,656.60 |

**To calculate the actual pay entitlement for the part year period**

|  |  |  |
| --- | --- | --- |
| K | Number of days (Monday to Friday) in the period = days between start date anniversary and leaving date  = days between A and B | 49 |
| L | Number of days holiday in the period:-   |  |  |  | | --- | --- | --- | | Holiday | No of day | Applies?  Number of days | | October half term | 5 |  | | Christmas | 10 |  | | February half term | 5 | 5 | | Easter holiday | 10 | 10 | | Good Fri (if outside of Easter hol) |  | 1 | | Easter Mon (if outside of Easter hol) |  | 1 | | May Day | 1 |  | | May half term | 5 |  | | Summer holiday | 30 |  | | Total | | 17 | | 17 |
| M | Number of working days in the period  = K – L | = K – L  = 49 – 17  = 32 |
| N | Number of hours worked in the period  = number of working days in the period x daily hours  = M x E | = M x E  = 32 x 3.9 (daily hours) = 124.8 hours |

|  |  |  |
| --- | --- | --- |
| O | Working hours paid  = Number of working hours in the period x hourly rate  = N x D | = N x D  = 124.8 x £10  = £1,248.00 |
| P | Full year Annual leave  = Annual leave weeks x (hourly rate x weekly hours)  = G x (D x E ) | = G x (D x E )  = 6.654 X (19.50 x £10.00)  = £1297.53 |
| Q | Percentage of Full year annual leave entitlement for the period worked  = Worked hours / (Working hours x Annual working weeks)  = N / (E x F ) | = N / (E x F )  = 124.8 / (19.5 x 39)  = 124.8 / 760.5  = 16.41% |
| R | Paid annual leave for the period worked  = Full year annual leave/ 100 x Percentage of annual leave  = P/100 x Q | = P/100 x Q  = £1,297.53/100 x 16.41  = £212.92 |
| S | Total pay in the period  = O + R | = O + R  = £1,248.00 + £212.92  = £1,460.92 |

**To calculate the under/ Over payment**

|  |  |  |
| --- | --- | --- |
| T | Over paid / underpaid  = Payment made through equated pay – Actual payment due  = J – S | = J – S  = £1,656.60 – £1,460.92  = £195.68 (overpaid) |

TERM TIME ONLY – PART-YEAR WORKED PRO- FORMA

**Personal information**

|  |  |  |
| --- | --- | --- |
| A | Start Date Anniversary (Before Leaving date) |  |
| B | Leaving date |  |
| C | Number of years service |  |
| D | Hourly rate |  |
| E | Hours worked per week |  |
| F | Term time weeks |  |
| G | Annual leave entitlement (from pro-rate leave calculator appendix 1) |  |

**To calculate the equated pay already paid to the individual**

|  |  |  |
| --- | --- | --- |
| H | Annual Salary  = (Weeks worked + Annual Leave entitlement) x (Hourly rate x Hours worked per week)  = (F + G) x (D x E) | = (F + G) x (D x E)  = ( + ) x ( x ) |
| I | Equated pay per month  = H/ 12 | = H/ 12  = £ / 12  = £ per month |
| J | Equated pay in the period  = I x Months in period  Note: Part months calculated by day of leaving/ number of days in that month e.g 30 for April  2 full months plus 7/30 = 2.2333 | = I x Months in period  = Monthly salary x months  = £ x Months  = £ |

To calculate the actual pay entitlement for part year period

|  |  |  |
| --- | --- | --- |
| K | Number of days (Monday to Friday) in the period = days between start date anniversary and leaving date  = days between A and B |  |
| L | Number of days holiday in the period:-   |  |  |  | | --- | --- | --- | | Holiday | No of day | Applies?  Number of days | | October half term | 5 |  | | Christmas | 10 |  | | February half term | 5 |  | | Easter holiday | 10 |  | | Good Fri (if outside of Easter hol) |  |  | | Easter Mon (if outside of Easter hol) |  |  | | May Day | 1 |  | | May half term | 5 |  | | Summer holiday | 30 |  | | Total | |  | |  |
| M | Number of working days in the period  = K – L | = K – L  = –  = |
| N | Number of hours worked in the period  = number of working days in the period x daily hours  = M x E | = M x E  = x (daily hours)  = hours |

|  |  |  |
| --- | --- | --- |
| O | Working hours paid  = Number of working hours in the period x hourly rate  = N x D | = N x D  = x £  = £ |
| P | Full year Annual leave  = Annual leave weeks x (hourly rate x weekly hours)  = G x (D x E ) | = G x (D x E )  = X ( x £ )  = £ |
| Q | Percentage of Full year annual leave entitlement for the period worked  = Worked hours / (Working hours x Annual working weeks)  = N / (E x F ) | = N / (E x F )  = / ( x )  = /  = % |
| R | Paid annual leave for the period worked  = Full year annual leave/ 100 x Percentage of annual leave  = P/100 x Q | = /100 x  = £ /100 x  = £ |
| S | Total pay in the period  = O + R | = O + R  = £ + £  = £ |

To calculate the under/ Over payment

|  |  |  |
| --- | --- | --- |
| T | Over paid / underpaid  = Payment made through equated pay – Actual payment due  = J – S | = J – S  = £ – £  = £ (under / overpaid) |

Appendix 1

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Annual leave and Bank Holiday entitlements for those working term time only | | | | | | | | | | | | | | | |
| Number of Years | Full Year Annual leave and Bank holiday Entitlement in days | Full Year Hols in weeks | Full Year working weeks - 52.143 - annual leave | Number of **days** hols based on 38 weeks per year | Number of **weeks** holiday based on 38 working weeks per year | Paid weeks (38) plus leave | Number of **days** hols based on 39 weeks per year | Number of **weeks** holiday based on 39 working weeks per year | Paid weeks (39) plus leave | Number of days hols based on 40 weeks per year | Number of **weeks** holiday based on 40 working weeks per year | Paid weeks (40) plus leave | Number of days hols based on 41 weeks per year | Number of **weeks** holiday based on 41 working weeks per year | Paid weeks (41) plus leave |
| 1 | 32 | 6.4 | 45.743 | 26.583 | 5.6\* | 43.6 | 27.283 | 5.6\* | 44.6 | 27.982 | 5.6\* | 45.6 | 28.682 | 5.7364 | 46.736 |
| 2 | 33 | 6.6 | 45.543 | 27.534 | 5.6\* | 43.6 | 28.259 | 5.6518 | 44.652 | 28.984 | 5.7968 | 45.797 | 29.708 | 5.9416 | 46.942 |
| 3 | 35 | 7 | 45.143 | 29.462 | 5.8924 | 43.892 | 30.237 | 6.0474 | 45.047 | 31.013 | 6.2026 | 46.203 | 31.788 | 6.3576 | 47.358 |
| 4 | 37 | 7.4 | 44.743 | 31.424 | 6.2848 | 44.285 | 32.251 | 6.4502 | 45.45 | 33.078 | 6.6156 | 46.616 | 33.905 | 6.781 | 47.781 |
| 5 | 38 | 7.6 | 44.543 | 32.418 | 6.4836 | 44.484 | 33.271 | 6.6542 | 45.654 | 34.124 | 6.8248 | 46.825 | 34.977 | 6.9954 | 47.995 |

\* April 2019 recent EAT case, Brazel v Harpur Trust (2017) in which it has been established that term time workers are entitled to a minimum of 5.6 weeks annual leave (from the Working Time Regulations) even though they do not work a full year