

Managing your Employee's Annual Leave Requirements

by Lynda Barnes

2021 is nearly over, but if your employees haven't used up their annual leave allocation, you may have some decisions to make. Let's find out more.



Being able to take annual leave is essential for keeping your employees healthy, happy and productive. However, with Coronavirus restrictions still in place in Ireland and across the world, limiting opportunities to travel, it may be the case that many of your employees haven't taken their full allocation of annual leave.

As we reach the end of 2021, your employees may find that they need to take all their unused days before the new year. You may be wondering how you'll run your business without your full complement of staff. Alternatively, they may be coming to you to see if they can carry over their unused annual leave into 2022. If this isn't something you usually allow, you could have some difficult decisions to make.

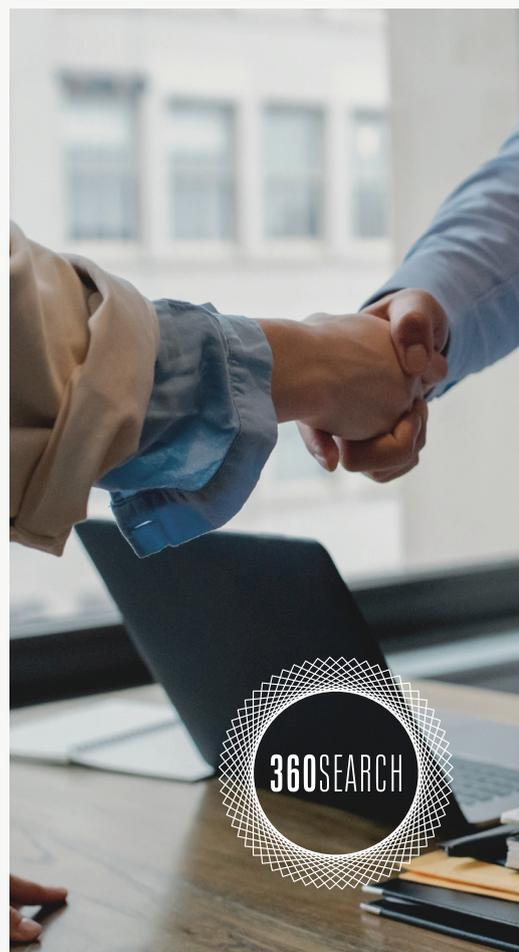
In this article, we'll look at how annual leave works in Ireland and how you can best manage your staff's annual leave requirements at this time of year.

Annual leave in Ireland

Under the Organisation of Working Time Act of 1997, all employees in Ireland are entitled to annual leave, regardless of whether they are on full-time, part-time, temporary or casual contracts. This law applies to every company in every sector of the Irish economy.

However, employers are permitted to specify when an employee can take annual leave, provided they give a notice period of at least one month and consider the employee's health and wellbeing when they make this decision.

Employees should have their annual leave allocation set out in their Terms and Conditions of Employment.



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Here is how you calculate the minimum amount of annual leave for an employee (employers can, of course, offer additional leave at their discretion):

- When an employee works at least 1,365 hours during a year (or year-long period that the company applies when calculating annual leave), they are entitled to four weeks of paid leave
- Alternatively, if an employee has worked 117 or more hours over a calendar month, they are allocated one-third of a week for annual leave
- You can also give them 8% of the hours they have worked over the year as annual leave (maximum four weeks)

Lay off, short-time and Government support

Of course, since the pandemic, many of us have been working from home. Even as we emerge from the shadow of COVID-19, many companies continue to enforce remote working, or have set up a home/office hybrid working scheme.

It's important to remember that employees get annual leave days in the same way, whether they work from home or on your premises.

Working from home

During the pandemic, many employees would have seen their employment statuses change as businesses adapted to cope with restrictions and reduced demand. This changes their annual leave allocations in some cases.

Employees that were laid off do not receive annual leave. However, they still accrue public holidays during the first 13 weeks of their lay off period. In addition, employees placed on short-time can accrue pro-rata annual leave if they have worked a minimum of 40 hours in the five weeks before the public holiday.

If your company received support from the Government during the pandemic, employees are treated as if they are still working. Therefore, they are entitled to statutory annual leave and public holidays based on the number of hours they have worked.





Communication is key

While you may be worried about how you cope as your employees take their unused days at the end of the year, or how you will deal with those who would prefer to carry over their annual leave into 2022, the key is always effective communication.

Talk to your employees about the amount of outstanding annual leave and how they plan to take it. While the law says you can force them to take annual leave if you give them a month's notice, it makes for a better working environment if you can show some flexibility and work it out together. You are entitled to refuse annual leave requests or cancel existing annual leave, but again, this should be a last resort.

Finally, your company may not typically allow employees to carry over annual leave into the following year. Still, perhaps it would be better for them and your business if you show some leeway. 2020 and 2021 have been years like no other; for the sake of your employees' health, happiness and productivity, it could be worth making an exception, just this once.



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