

Financial Guideline 01-2015/2016

Cessation of “Rolled-up Holiday Pay”

1. Introduction

The Department of Education and Skills has issued *Circular 0015/2015 ‘Revised Payment Mechanism for Casual and Non-Casual Teachers with effect from the commencement of the 2015/2016 School Year – Cessation of “Rolled-up Holiday Pay”.*’ The purpose of this Circular is to update school management authorities and staff of the changes to the pay arrangements for casual, non-casual and part time teachers **with effect from the commencement of the 2015/16 school year. It is important to note that the overall remuneration to these teachers is not being changed as a result of the Circular.** This change is being made to bring the method of remunerating such teachers into line with the European Union Working Time Directive, following a decision of the European Commission.

The Circular applies to payments made to the following staff:

- Casual teachers
- Non-casual teachers
- Part time teachers
- Teachers employed to perform Supervision and Substitution duties who are paid directly by the school.

The FSSU recommends that the cessation of rolled up holiday pay should apply to all staff paid directly by the school.

2. Summary of Changes

Up to now the hourly rates paid to casual and non-casual teachers include an element in respect of annual leave. This practice is known as “rolled-up holiday pay”. **This practice should cease with effect from the commencement of the 2015/16 school year.** The current hourly casual and non-casual rates will be reduced by 12% in post-primary schools and a separate payment will be made in respect of holiday pay. In order to facilitate this, schools should operate the following with effect from the commencement of the 2015/16 school year:

2.1 Casual Teachers:

The casual rate is paid to a teacher who is expected to work for a maximum of 150 hours in the school year.

Action to be taken:

- a. Remove 12% from the current hourly casual rates. This 12% represents the relevant teacher's statutory annual leave.
- b. See Appendix A for revised hourly casual rates.

2.2 Non Casual Teachers:

The non-casual rate of pay for a post-primary teacher is the appropriate personal annual salary (i.e. relevant point on the Common Basic Scale plus qualification and other allowances, where applicable) divided by 735 per hour for each hour worked.

The non-casual rate is payable to teachers in the following circumstances:

- I. Where a teacher is employed under a contract which obliges him or her to work in a school for a period in excess of 150 hours at post-primary during the school year but less than a full school year (e.g. replacing a teacher on maternity leave), the non-casual rate is payable for each day/hour worked;
- II. Where a pro-rata teacher who is employed for the full school year to provide teaching for a specified number of hours each week works additional days/hours above the level set out in his/her contract, the non-casual rate is payable for each such additional day/hour worked;
- III. Where a teacher initially employed as a casual substitute exceeds 150 hours of employment at post-primary during the school year, the non-casual rate is payable for each hour worked in excess of the 150 hours at post-primary.

With effect from the commencement of the 2015/16 school year, 12% will be removed from the non-casual hourly rate payable to teacher. The teacher will accumulate statutory annual leave to the value of 12% of time worked and will take and be paid for such leave as set out in Appendix C.

2.3 Supervision and Substitution payments

Under the terms of Circular 0006/2014, where a post-primary teacher has opted out of supervision and substitution duties an amount equivalent to the S&S allowance is allocated to the teacher's school solely for the provision of S&S duties in accordance with the pre-1 July 2013 arrangements. With effect from the commencement of the 2015/16 school year, where the school uses this allocation to employ a part-time teacher for S&S duties in addition to their compulsory S&S liability under the Haddington Road Agreement, the hourly rate and value of statutory annual leave accumulated per hour worked is set out at Appendix B. **Schools are reminded that full-time teachers or teachers who have opted out of S&S duties cannot be paid for S&S duties.**

The current rate for unqualified personnel carrying out supervision does not include holiday pay. 8% of the total hours worked in the preceding term is the holiday entitlement due and should be paid as per the provisions of this Guideline.

3. Accumulated Statutory Annual Leave

Relevant teachers will accumulate statutory annual leave to the value of 12% of time worked.

Relevant teachers will then take their accumulated statutory annual leave during the school closure periods at Christmas, Easter and summer as follows:

- a) During the Christmas school closure period, teachers will take the statutory annual leave which they have accumulated since the commencement of the school year and will be paid for such leave;
- b) During the Easter school closure period, teachers will take the statutory annual leave which they have accumulated since the end of the Christmas school closure period and will be paid for such leave;
- c) During the summer school closure period, teachers will take the statutory annual leave which they have accumulated since the end of the Easter school closure period and will be paid for such leave.

While the holiday pay payments are based on the number of hours accrued, the school will have to decide on the number of days to which the payment equates. The agreed level of statutory annual leave accumulated based on the hours worked in a term is set out in Appendix C.

A worked example to calculate statutory annual leave due is outlined in Appendix D.

Further information or clarification on any of the issues raised in this Guideline can be obtained from the FSSU.

**Louise McNamara
Director, FSSU
20th August, 2015**

Appendix A

REVISED HOURLY CASUAL RATES TO APPLY WITH EFFECT FROM THE COMMENCEMENT OF THE 2015/16 SCHOOL YEAR FOR POST-PRIMARY TEACHERS

(i) Rates for Pre-1 January 2011 Entrants to Post-Primary Teaching with effect from commencement of 2015/16 school year:

| Category (Post-Primary) | Current Rate | New Ongoing Rate from 2015/16 | Value of Statutory Annual Leave Accumulated per Hour Worked from 2015/16 |
|--------------------------------|---------------------|--------------------------------------|---|
| Hourly casual qualified | 46.85 | 41.23 | 5.62 |
| Hourly unqualified | 40.85 | 35.95 | 4.90 |

(ii) Rates for Post-Primary Teachers who entered teaching between 1 January 2011 and 31 January 2012 with effect from commencement of 2015/16 school year:

| Category (Post-Primary) | Current Rate | New Ongoing Rate from 2015/16 | Value of Statutory Annual Leave Accumulated per Hour Worked from 2015/16 |
|--------------------------------|---------------------|--------------------------------------|---|
| Hourly casual qualified | 41.65 | 36.65 | 5.00 |
| Hourly unqualified | 36.76 | 32.35 | 4.41 |

(iii) Rates for Post-Primary Teachers who entered teaching on or after 1 February 2012 with effect from commencement of 2015/16 school year:

| Category (Post-Primary) | Current Rate | New Ongoing Rate from 2015/16 | Value of Statutory Annual Leave Accumulated per Hour Worked from 2015/16 |
|--------------------------------|---------------------|--------------------------------------|---|
| Hourly casual qualified | 40.17 | 35.35 | 4.82 |
| Hourly unqualified | 36.76 | 32.35 | 4.41 |

Appendix B

SUPERVISION/SUBSTITUTION RATES

(i) Hourly rates for part-time teachers performing S&S additional to their compulsory S&S liability with effect from commencement of 2015/16 school year:

| Status of Part-Time Teacher | Current Rate | New Ongoing Rate from 2015/16 | Value of Statutory Annual Leave Accumulated per Hour Worked from 2015/16 |
|---|---------------------|--------------------------------------|---|
| Pre-1 January 2011 Entrant to Teaching | 47.82 | 42.08 | 5.74 |
| Entered teaching between 1 January 2011 and 31 January 2012 | 43.04 | 37.88 | 5.16 |
| Entered teaching on or after 1 February 2012 | 32.49 | 28.59 | 3.90 |

Appendix C

LEVEL OF STATUTORY ANNUAL LEAVE ACCUMULATED BY A POST-PRIMARY TEACHER PER TERM

| Hours worked in the Term | Days of Statutory Annual Leave Accumulated |
|--------------------------|--|
| 0 to 36 | 12% of time worked |
| 37 to 73 | 1 |
| 74 to 110 | 2 |
| 111 to 146 | 3 |
| 147 to 183 | 4 |
| 184 to 220 | 5 |
| 221 to 257 | 6 |
| 258 to 293 | 7 |
| 294 to 330 | 8 |
| 331 to 367 | 9 |
| 368 to 404 | 10 |
| 405 to 441 | 11 |
| 442 to 477 | 12 |

Appendix D

Paul is a qualified post-primary teacher and is employed by a school on 14 October 2015 to cover the absence of another teacher on sick leave. He is employed for 14 hours per week. Paul's employment terminates on 6 February 2016 due to the return of the absent teacher from sick leave.

Pre-existing Pay Arrangements:

In total, Paul is employed for 190 hours in the school year. He is employed as a casual substitute until he exceeds 150 hours of employment in the school year. As a casual substitute, he is paid €46.85 per hour.

Once Paul exceeds 150 hours of employment, he is regarded as a non-casual substitute and goes onto his personal rate of pay for the remaining 40 hours. His annual personal salary is €42,847 (consisting of Point 7 of the pre-2011 entrant scale and an honours degree allowance). This gives a personal hourly rate of €58.30 (i.e. €42,847/735).

For his employment in the 2015/16 year, Paul is paid a total of €7,028 at the casual rate (i.e. €46.85 x 150 hours) and €2,332 at the personal rate (i.e. €58.30 x 40 hours). Paul's total salary for the year is therefore €9,360

New Pay Arrangements:

Under the new arrangements, 12% is removed from the hourly rate and Paul accumulates statutory annual leave to the value of 12% of hours worked.

For the period for which he is employed as a casual substitute, Paul's base hourly rate is therefore

€41.23 and he accumulates €5.62 of statutory annual leave per hour worked.

Once Paul exceeds 150 hours of employment, he is regarded as a non-casual substitute and goes onto his personal rate of pay for the remaining 40 hours. His personal hourly rate is €51.30 (i.e. €42,847/735

– 12%) and he accumulates statutory annual leave of €7 per hour worked at the personal rate.

TERM 1 – START OF SCHOOL YEAR TO CHRISTMAS HOLIDAYS:

In the period from the commencement of employment on 15 October to the Christmas holidays, Paul is employed for 126 tuition hours. His pay for this period at the casual rate is €5,195 (i.e. €41.23 x 126 hours). In addition, he accumulates statutory annual leave to the value of €708

(i.e. €5.62 x 126 hours). Paul accumulates 3 days statutory annual leave during the period, which he takes during the Christmas holidays and is paid for.

TERM 2 – END OF CHRISTMAS HOLIDAYS TO EASTER HOLIDAYS:

In the period from the Christmas holidays to the termination of his employment on 6 February, Paul is employed for 64 tuition hours in total. The first 24 tuition hours are paid at the casual rate. His pay for this period at the casual rate is €990 (i.e. €41.23 x 24 hours). In addition, he accumulates statutory annual leave to the value of €135 (i.e. €5.62 x 24 hours).

Paul then exceeds 150 hours of employment in the school year so goes onto his personal rate of pay for the remaining 40 hours of employment – see above for details of his personal rate of pay.

His pay for this period at the non-casual rate is €2,052 (i.e. €51.30 x 40 hours). In addition, he accumulates statutory annual leave to the value of €280 (i.e. €7 x 40 hours).

His total salary for the period from the Christmas holidays to the termination of his employment on 6 February is therefore €3,042. In addition, he accumulates statutory annual leave to a total value of €415. As Paul's employment terminates before the next closure period, he is paid €415 in lieu of his untaken statutory annual leave at the next closure period at the Easter holidays.

Paul is employed for a total of 190 tuition hours in the 2015/16 school year. His total pay in respect of his employment with the school in 2015/16 is €9,360.

The following table illustrates Paul's pay over the different terms and holiday periods:

| Period | Tuition Hours in Period | Pay under Pre-existing Arrangements | Pay under New Arrangements with effect from 2015/16 | Days of Statutory Annual Leave Accumulated in the Period |
|---|--------------------------------|--|--|---|
| TERM 1: Commencement of employment to Christmas holidays | 126 | 5,903 | 5,195 | 3 |
| Christmas holidays | | 0 | 708 | |
| TERM 2: Christmas holidays to termination of employment | 74 | 3,456 | 3,042 | 2 |
| Statutory annual leave accumulated at termination of employment – paid at Easter holidays | | 0 | 415 | |
| Total Pay for the School Year | | 9,360 | 9,360 | |