

27 November 2023

HMRC to retrospectively revoke some carried-over Annual Leave

Some managers have incorrectly authorised excess Annual Leave carryover for their staff; however HMRC has instructed those managers to tell staff their excess Annual Leave will be retrospectively revoked.

A number of managers in HMRC have approved a carryover of annual leave, above the 10 days generally allowed under policy, using a code on the HR system which should only be used in the Valuation Office Agency (VOA).

On 23 November HMRC wrote to those managers, instructing them to urgently speak to the staff whose carryover request they incorrectly authorised, to tell them that any carryover of annual leave beyond the normal 10 days will be revoked by the department in December.

Whose Annual Leave is affected?

Under HMRC's policy, requests to carry over in excess of 10 days annual leave can be granted under specific circumstances (as a result of sickness absence, family leave, reservist mobilisation, TUPE/COSOP protection or parental bereavement leave).

There are specific codes on the department's HR system for granting excess carryover requests under these circumstances; however, we have been informed that some managers have been granting these requests using an alternative code, one not intended for use in HMRC.

HMRC claim they have attempted to discourage managers from taking this approach, but that the practice has continued, and so the department's executive committee (ExCom) has taken the decision to revoke any excess carryover in all cases not covered by the department's policy.

This means that any member of staff who has had an excess carryover of annual leave will have the reason for the carryover re-examined, and if the reason for the

excess carryover is not covered by policy, then any carryover beyond 10 days will be lost.

PCS responds to plans

PCS has had little notice of the department's plans, but we quickly raised the concern that the department is planning to punish members of staff for the actions of their managers. The affected staff made the carryover request in good faith and have the right to expect any granted carryover to be honoured.

We have also raised the concern that there are question marks about the support those managers have received. HMRC have insisted that managers were given ample signposting to the policy and guidance; however, as of 20 November, the number of views for HMRC's Policy Document 'HR2091', which sets out the Excess Leave Carryover policy, totalled only 172 in 5 months.

Given the tens of thousands of management grades in HMRC, such a low number of managers viewing the policy in 5 months, should have set alarm bells ringing for HMRC, where understanding of the policy is concerned.

Furthermore, HMRC have made the decision without being in full possession of the facts. PCS believes that there could be any number of reasons for the carryover, many of which will not be within the control of the staff member concerned. For example, we have already raised concerns about one of the largest areas of HMRC, where additional restrictions had been placed on the approving of annual leave.

Critically, HMRC has failed to recognise the possibly irreparable damage to the relationship between affected members of staff and their managers. The department has not disputed that the affected members of staff have approached their line manager and requested that an annual leave allowance in excess of 10 days can be carried over. Their manager has subsequently approved that request. It is more than reasonable therefore, for any member of staff in such circumstances to trust that their manager, as a representative of HMRC, is authorised to approve their specific request.

The approach proposed by HMRC does not punish the representative of the department who approved the annual leave request; it punishes the member of staff who made the request of their manager, had that request authorised, and had acted in good faith throughout.

There is an answer

PCS believes that if the department does not want HMRC managers using a feature of the IT system, then do not make that feature of the system available to them. Unless of course, HMRC considers that it is easier (or perhaps cheaper) to penalise members of staff who have gone through their line management chain, than it is to make sure that the system cannot be used by managers inappropriately.

What to do if you're affected

If you are affected by this decision, then your manager will be contacting you in the next few days.

We are urging all members who are affected to get in touch with your local PCS branch who will be collating all information for escalation. Please provide a short narrative of why you asked to carry over more than the allowable 10 days and any supporting emails that show that there was discussion with your line manager around approval to carry forward excess leave.

PCS is considering our options on this matter; and as part of that, we will be going out to all our members in the department and looking to ascertain the precise scale of the problem (as well as any possible directorate/workplace patterns that might emerge), before taking our next steps.