

EX55. PAYMENT OF ANNUAL LEAVE

The Executive considered a report by the Director of Corporate and Neighbourhood Services advising of the impact of recent case law on the methodology used to calculate annual leave pay.

A judgement by the Court of Justice of the European Union stated that all pay elements (such as overtime, standby and unsocial hours), intrinsically linked to the performance of the tasks carried out under the terms of a contract of employment should be included in the calculation of holiday pay.

The report summarised the Council's current position in regard to the calculation of holiday pay and set out a revised methodology together with the financial impact thereof.

Having heard from Director on the terms of the report, Councillors C Martin and Gow each declared a potential financial interest in the item as their spouses are employees of the Council. They both left the meeting and took no part in the discussion or decision making. By agreement, Councillor Nicol took the chair for the remainder of the item.

Decision

The Executive agreed to:-

- (1) note the amended calculation methodology from August 2014, set out in section 4 of the report, to take account of non contractual pay elements;**
- (2) ask officers to commence negotiations with Trade Unions and to report back; and**
- (3) note that all Services will undertake further scrutiny of non contractual pay elements with the aim of reducing overall spend.**