

# LEATHER PRODUCERS' ASSOCIATION HANDBOOK

of Basic Rates of Wages, and other Employment Rights and Recommendations as agreed between the Leather Producers' Association and the following trades unions, currently called Community, Unite and GMB. Community are the only union currently participating in annual negotiations.

The agreements are made in good faith by the parties with the full intention that their provisions be honoured.

(Note: Reference in this Handbook to males shall apply to employees of either sex.)

This edition of the handbook has been revised and reprinted. It incorporates the 2010 and 2011 LPA recommended adjustments to the 2009 agreement, and the 2012 to 2021 (excluding 2020 due to the Covid-19 pandemic) Agreements reached with Community. It has been further edited to update the format

© LEATHER PRODUCERS' ASSOCIATION

National Secretary  
Kerry Senior  
Leather Trade House  
Kings Park Road  
Northampton NN3 6JD  
Telephone: 01604 679955  
Facsimile: 01604 679998  
Mobile: 07513412569  
Email [kerrysenior@leatheruk.org](mailto:kerrysenior@leatheruk.org)

# CONTENTS

	Page
Introductory Note.. .. .	3
Policies	
Health and Safety .. .. .	3
Anti-discrimination and equal opportunities	4
Elimination of bullying and harassment ..	4
Elimination of alcohol and drug abuse ..	5
Selected employment related legislation .. ..	6
Basic Time-Work Rates of Wages .. .. .	7
Minimum Earnings Levels .. .. .	7
Piece-Work .. .. .	7
The Working Week .. .. .	7
Lay-Off and Guarantee Payments .. .. .	7
Overtime .. .. .	8
Saturday Morning Work .. .. .	8
Saturday Afternoon and Sunday Work .. ..	9
Night Work and Shift Work.. .. .	9
Periods of Notice .. .. .	10
Death in Service Benefit .. .. .	10
Bereavement Leave .. .. .	10
Paternity Leave .. .. .	10
Medical Screening .. .. .	10
Return from Maternity Leave .. .. .	10
Parental Leave	10
Pre-Retirement Leave .. .. .	10
Parental Leave (definition) .. .. .	10
LPA Sick Pay Scheme .. .. .	11
National Holiday Scheme .. .. .	12

## INTRODUCTORY NOTE TO THIS HANDBOOK

### Scope of the Handbook

This Handbook gives information on wages and employment rights in the Leather Producing Industry, including the current rates of wages, the normal working week, details of arrangements for overtime and weekend work, holiday pay and other items either agreed or recommended following negotiation with the Joint Trade Union Side. Some guidance is also provided by showing the titles of certain items of legislation of which LPA members should be aware.

### Central Committee

The governing body of the Leather Producers' Association is the Central Committee, composed of representatives of all member companies of the LPA. The Central Committee is responsible for the negotiations with the Unions and communicating with Government departments on employment matters affecting firms in the industry.

### Trade Unions

The LPA has historically negotiated with the trade unions currently known as Community, GMB and Unite.

Community are the only union currently participating in annual negotiations.

### Joint Central Conference

The Joint Central Conference consists of representatives from the Central Committee of the LPA sitting with representatives of the Trade Unions.

### Joint Standing Committee

The Joint Standing Committee is a smaller committee consisting of representatives of the LPA and the Trade Unions, and may meet on occasions to resolve matters of common interest, including differences which cannot be settled at local level on the interpretation of the Agreements.

### Basic Rates Agreement

The National Agreement covers a single Industry Basic Rate.. It is understood that skill levels may continue to be determined at company level

### Training and Education

Member firms of the LPA are encouraged to develop their employees through education and training. The organisations providing technical and scientific development programmes specifically for the leather producing industry include the Institute for Creative Technologies and Eurofins BLC Leather Technology Centre Ltd.

## POLICIES

### HEALTH AND SAFETY

The Health and Safety at Work Act requires that employers provide a safe place of work and employees on their part are required to observe health and safety rules to take care of both themselves and others. Failure to do so may bring about prosecution and penalties by the enforcement authorities. The Union is entitled to invite a safety representative to attend any meetings called to address any issues related to the health and safety of employees.

All employers are required to develop policies and procedures to carry out suitable and sufficient Risk Assessments, and to regularly assess the workplace. Where there is a likelihood of an employee being pregnant a risk assessment must take account of this possibility.

Barrier creams or alternatives will be provided by employers, and, the Trade Unions on their part undertake to urge their members to use barrier creams and make good use of any other safety measures provided by management.

Footwear. Each year, appropriate protective footwear will be provided to workers engaged on wet processes. Also, once each year, where injury to toes might result from the work upon which they are engaged boots with reinforced toe caps will be provided. Should the protective footwear cease to provide the protection for which they were intended, then providing the excessive wear is not due to use away from the workplace the employer will provide replacement footwear. In the case of negligence on the part of the employee a contribution from the employee may be determined by mutual agreement.

Personal Protective Equipment. PPE to be provided where determined by risk assessment or as a result of specific legislation.

## THE EQUALITY ACT 2010

The Equality Act 2010 governs the current law relating to discrimination in the workplace. All member firms should be familiar with the nine protected characteristics in the Equality Act (disability; age; sex; race; religion and belief; sexual orientation; gender reassignment; marriage and civil partnership; and pregnancy and maternity).

The Act requires organisations of all sizes and types to promote equality and avoid discrimination in the workplace.

It is therefore agreed that all member firms of the LPA will institute policies at domestic level which will take account of the Equality Act 2010 and adhere to any future legislation with regards to discrimination and equal rights.

Should any employee feel that they are being discriminated against with regards to any of the protected characteristics of the Equality Act 2010 either directly or indirectly, then they should contact their line manager (or a member of management) immediately; the matter will be dealt with in accordance with grievance procedures.

Employees at all levels should endeavour to adhere to the Equality Act 2010 and related company policies. Managers are responsible for ensuring that everyone within their sphere of authority is fully aware of the policies and acts accordingly.

## POLICY GUIDELINES

It is jointly agreed that all firms in membership of the LPA shall create and introduce company policies to cover (a) the elimination of bullying and harassment and (b) the abuse of alcohol and drugs.

The following guidelines have been drawn up in order that firms may utilise them to create their own policies.

### ELIMINATION OF BULLYING AND HARASSMENT

#### INTRODUCTION

For the purpose of this recommendation the definition of bullying and harassment as defined by ACAS is -

*'Bullying and harassment means any unwanted behaviour that makes someone feel intimidated, degraded, humiliated or offended. It is not necessarily always obvious or apparent to others, and may happen in the workplace without an employer's awareness.'*

*Bullying or harassment can be between two individuals or it may involve groups of people. It might be obvious or it might be insidious. It may be persistent or an isolated incident.'*

## DEVELOPING A POLICY TO ELIMINATE WORKPLACE BULLYING AND HARASSMENT

It is important that the policy sets out not only the procedures for dealing with individual cases of bullying but also what measures the employer will put in place to identify and remove organisational cause of bullying.

A policy on eliminating bullying must have commitment from all stakeholders of the business. The policy should set out;

- A clear definition of bullying and the forms it takes.
- A statement that bullying is unacceptable behaviour and will not be tolerated at any level of the organisation.
- A statement outlining that any allegations or suspicions of bullying will be investigated and if substantiated disciplinary action may be taken.

### Management Action:

- endeavour to ensure confidentiality where applicable
- ensure complainant will not be victimised
- carry out a full investigation
- generate preventative or disciplinary action where applicable

### The procedure should set out clearly:

- whether/on what basis the alleged bully will be suspended pending the results of the investigation
- how the investigation will be carried out
- the timetable for the investigation
- what disciplinary action may be involved
- rights to be represented/accompanied
- procedures for appeal
- the requirement for confidentiality
- whether and in what circumstances mediation will be available

### Awareness:

An awareness programme should include:

- what is meant by bullying
- the effects of bullying
- the organisational situations, culture and value systems which may give rise to and perpetuate bullying
- details of the policy on bullying and procedures
- practical skills (e.g. counselling)

The policy should be well advertised and drawn to the attention of staff by means of posters, leaflets, etc., which reinforce the training provided under the policy.

## THE ELIMINATION OF ALCOHOL AND DRUG ABUSE IN EMPLOYMENT

All firms must have such a policy and, the key elements of a policy may include the following where possible.

- treat alcohol or drug misuse initially, as a medical and not a disciplinary matter
- cover all employees, including senior management, in the policy
- run alcohol and drug awareness campaigns and support the policy with publicity
- encourage employees with an alcohol or drug problem to seek assistance
- stress the confidential nature of any advice or treatment offered
- managers to be made aware of how to spot the early signs of an alcohol or drug problem and how to determine the best method of discussing the issue
- ensure that during rehabilitation an employee follows the treatment, meets agreed work targets and consents to random substance testing

- refusal, or failure to follow a programme of treatment or seek counselling will result in disciplinary action
- provide alternative work, if available, where this could aid an employee's rehabilitation
- explain the circumstances, such as poor work performance or failure to follow an agreed course of treatment, in which disciplinary action (including dismissal) may be taken.
- the possession and/or consumption of alcohol at the workplace is forbidden and constitutes gross misconduct.
- the supply or possession of illegal drugs is a criminal offence
- being under the influence of alcohol or illegal drugs also constitutes gross misconduct

#### SELECTED EMPLOYMENT RELATED LEGISLATION

- Employment Relations Act 1999
  - Disciplinary procedures
  - Industrial action
  - Maternity rights
  - Trade Union matters
  - Unfair dismissal
- Employment Rights Act 1996
  - Cashless pay
  - Deductions from pay
  - Dismissal rights
  - Guarantee payments
  - Periods of notice
  - Redundancy
  - Written statements
- Health & Safety at Work Act 1974
- Working Time Regulations 1998
- Part-Time Workers Regulations 2000
- Any related Acts or Regulation

## BASIC TIME-WORK RATES OF WAGES

(This rate takes effect from the first full pay week which includes 1st July 2021. Note – due to the Covid-19 crisis, there were no wage negotiations in 2020 and no changes to the basic rate)

INDUSTRY BASIC RATE FOR ADULTS – 577.63p

### MINIMUM EARNINGS LEVELS (these rates apply from 1<sup>st</sup> of April 2021)

Employees aged 16 and 17 years old will be entitled a Minimum Earnings Level of £4.81 per hour.

Employees aged 18 to 20 years will be entitled to a Minimum Earnings Level of £6.83 per hour.

Employees aged 21 to 22 will be entitled to a Minimum Earnings Level of £9.18 per hour.

Employees aged 23 and over will be entitled to a Minimum earnings level of £9.50 per hour.

Apprentices will be entitled to a Minimum Earnings Level of £4.81 per hour.

The Minimum Earnings Level is not to be used for the calculation of any other allowances, premium payments etc.

### PIECE-WORK

Where operatives are employed on a piecework basis, the piecework rates will be agreed at factory level.

## THE WORKING WEEK

### Normal Working Week

The normal working week is 39hrs 30 minutes worked in 5 days (or shifts).

The normal daily hours for each factory are arranged by mutual agreement.

Note: It is jointly agreed that there should be full co-operation between Management and Unions to secure full utilisation of hours of work, including the elimination of unauthorised breaks and time wasting, and strict adherence to starting and stopping times and time permitted for tea breaks, taking account of the Working Time Regulations.

The reduction from 39.75 hours to 39.5 hours was strictly subject to the full co-operation of the trade unions and all employees to improve productivity.

## LAY-OFF AND GUARANTEE PAYMENTS

### Lay-off from Work (Employment Rights Act Guarantee Payments)

In cases where employees are laid-off and qualify for the Guarantee Payments provided by the Employment Rights Act 1996, the Guarantee Payment will be enhanced by a sum so as to produce a payment equal to eight hours pay at the Industry Basic Rate. This additional amount will not be payable where lay-off is due to any form of industrial action by any persons, or to any situations, which are outside the control of the employer. (Employees working hours other than as laid down in the Handbook the enhanced payment will be pro rata.)

## **OVERTIME**

### **A. Definition**

Overtime is defined as either: -

- All time worked in excess of the specified number of hours each day, or
- Hours worked outside the normal day, as defined, provided these are not part of a shift for which the shift rate is paid.

Staff may be required to work overtime, in excess of their normal hours of work, according to operational needs – such as continuing with work until perishable goods in an unsafe condition are processed to a point where they become stable.

The normal day is defined as falling between 6am and 6pm. However, Saturday is considered to start 00.01hr, except in the case of a Friday/Saturday night shift, which forms part of a normal 5-shift system. In this case, for overtime purposes, Saturday is deemed to start at the end of the shift.

### **B. Conditions relating to overtime payments**

#### *(1) General*

Provided the employee is not absent when his or her services are required during the current working week the overtime rates as shown in clause 'C' shall be paid. An employee who is absent when his or her services are required is subject to clauses B (2) and B (4) below.

#### *(2) Absence through sickness, etc.*

For the purpose of clause B (1), absence through certified sickness or failure in public transport service or for any other reason acceptable to the management shall not count against the employee.

#### *(3) Breakdown of plant etc.*

When employees are called in to work but are unable to operate for some reason outside their control - such as breakdown of plant or absence of material - the period of such standing by shall count towards the completion of the working day.

#### *(4) Lost time*

When time is lost without adequate reason, an employee shall only be disqualified from receiving overtime for the number of hours actually lost.

### **Overtime rates of pay**

Time-workers shall be paid their hourly rate plus one-third of the Industry Basic Rate for the first two hours overtime in any day and their hourly rate, plus one-half of the Industry Basic Rate thereafter.

Piece-workers shall be paid one-third of the Industry Basic Rate for the first two hours overtime in any day and half the basic rate thereafter. These payments are in addition to their piece-work earnings. Where an employee works for any time between 8pm and 6am and a shift-work premium is not payable, a premium payment of one-fifth of the Industry Basic Rate will be paid in respect of the hours worked after 8pm.

This is in addition to payment of any overtime premium laid down in this Agreement.

### **Saturday Morning Work**

#### **A. Conditions**

Due to the nature of the trade, its handling of perishable goods and its production requirements, operatives are expected to work on Saturday morning as and when required by Management subject to reasonable leave of absence, but this is not compulsory.

#### **B. Payment**

For Saturday morning work, timeworkers shall be paid their hourly rate plus one half of the Industry Basic Rate, and pieceworkers shall be paid half that Basic Rate in addition to their piece-work earnings. This also applies where fewer than 6 hours earning overtime are offered and worked during the week. This is subject to C(1) and C(2) as follows -

#### **C. Conditions relating to payment**

##### *(1) Absence during the week*

Overtime rates will not be paid until contractual hours (normally 39.5 hours) have been completed.(2)  
*Overtime during the week*



Operatives who have worked 39hrs 30 mins but have failed to work overtime without reasonable explanation during the week when requested by the Management, shall only be entitled to time-and-a-third until they have worked the number of hours requested, up to a maximum of six.

Note: This is subject to the overriding clauses relating to Saturday afternoon and Sunday work (see below)

### **Saturday Afternoon and Sunday Work**

From Saturday 12 noon and on Sunday, time-workers shall be paid their hourly rate plus the Industry Basic Rate, and piece-workers shall be paid that basic rate in addition to their piece-work earnings.

## **NIGHT WORK AND SHIFT WORK**

### **A Payment**

The following extra payments, calculated from the Industry Basic Rate, shall be made to both time-workers and piece-workers on a regular shift system:

- |                                       |   |
|---------------------------------------|---|
| (1) <i>Double-day-shift system</i>    | ) |
| First shift - Nil                     | ) |
| Second shift - one-sixth*             | ) |
| (2) <i>Day and night shift system</i> | ) |
| First shift - Nil                     | ) |
| Second shift - one-quarter            | ) |
| (3) <i>Three shift system</i>         | ) |
| First shift - Nil                     | ) |
| Second shift - one-sixth*             | ) |
| Third shift - one-quarter             | ) |

(\*These extra payments for the second shifts of double-day-shift and three shift systems increase from one-sixth to one-fifth for hours after 8pm which are worked as part of such second shifts.)

### **B. Constant Shift Rate**

A constant shift rate, calculated from the Industry Basic Rate, may be paid, provided this is based on the foregoing increments and is implemented by mutual agreement. (*Note: This has the advantage of providing employees who are on a rotating shift system with a constant income.*)

### **C. Overtime payments for regular shift workers**

Where a regular shift worker works overtime at the beginning or end of a shift, the relevant overtime premiums and shift increments shall be paid, calculated from the Industry Basic Rate.

### **D. Sunday Shift Premium**

Subject to the overriding proviso that the increment for that part of a shift which occurs during a Sunday (up to 12 midnight) shall be the Industry Basic Rate.

## OTHER AGREED OR RECOMMENDED CONDITIONS OF EMPLOYMENT

### PERIODS OF NOTICE (AGREEMENT)

(1) The first week of employment shall be regarded as the 'probationary period' for the purpose of this agreement.

(2) Every employee (except those employed on probation) shall give at least 7 days' (one week's) notice prior to leaving.

(3) The employer will give every employee (except those employed on probation) with less than two years service at least 7 days' (one week's) notice to terminate the employment.

In accordance with the Employment Rights Act 1996 for each completed full year of continuous service employees will be entitled to receive one week of notice of termination of employment up to a maximum of twelve weeks notice after twelve continuous years service. Only in cases of gross misconduct may these periods be waived.

### DEATH IN SERVICE BENEFIT (AGREEMENT)

Subject to the employee having 12 months continuous service it is agreed that a death in service benefit of £3000 be paid. Employers with existing schemes are required to observe the £3000 unless their existing scheme pays a higher amount in which case that amount will apply.

### BEREAVEMENT LEAVE (AGREEMENT)

In the event of the death of a partner, child, or parent, five days bereavement leave will be granted. In the event of death of paternal/maternal grandparents, grandchildren, brother or sister or a mother-in-law or father-in-law, two days bereavement leave will be granted. To be paid at average earnings. In the event of the death of a person not covered by this agreement, a written request for paid bereavement leave should be submitted and will be assessed on a case-by-case basis. The efficacy of this clause will be reviewed 12 months after introduction.

### PARENTAL LEAVE (DEFINITION)

Companies will comply with statute with regards to the various forms of parental leave.

### PATERNITY LEAVE (AGREEMENT)

It is agreed that the statutory paternity leave of up to two weeks be paid at the rate of £190 per week. The weeks must be taken within 56 days of the date of birth or adoption.

### MEDICAL SCREENING AND HOSPITAL APPOINTMENTS (AGREEMENT)

It is agreed that, subject to prior permission being obtained from the employer, with at least two weeks' notice given, and proof of attendance presented, average earnings will be paid to all employees who have to attend hospital or clinic for GP referrals, and who may have to attend a recall visit. Where the period between the date of a referral and the subsequent appointment is less than two weeks, no reasonable request will be refused; this does not include any failure by the employee, when possible, to provide adequate notice. The amount of time involved to be mutually determined between employee and management according to the availability of facilities.

Where time off with pay is allowed to attend appointments for GP referrals, this will apply for a maximum of 16 hours in any calendar year.

### RETURN FROM MATERNITY LEAVE (AGREEMENT)

Employees with one year's service shall receive, in addition to the 90% of average earnings for six weeks of Statutory Maternity Pay calculated in accordance with the Employment Protection Act 12 weeks reference period, a further 10% of average earnings payable 13 weeks after returning to continuous attendance following the Maternity Leave period.

### PRE-RETIREMENT LEAVE (AGREEMENT)

Two days pre-retirement leave will be granted to employees with 5 years or more service, to attend company-approved pre-retirement courses, without loss of pay for the contractual hours of work lost and taken in the six months prior to retirement.

### RECOGNITION UPON RETIREMENT, OF LONG-SERVICE BY AN EMPLOYEE (RECOMMENDATION)

It is recommended that, upon retirement, the contribution of employees with twenty-five years' service is recognised by a sum or gift equal to £250, as a minimum

### **LPA SICK PAY SCHEME**

It is recognised that some firms may have had a sickness payment scheme in existence before the LPA scheme was introduced in 2007. The following scheme must be applied by all member firms which do not have a scheme or one which is less beneficial.

#### **A. ELIGIBILITY**

A1 All employees who have completed 1 year's continuous service with the Company at the start of the relevant period of absence are eligible for sick pay under this scheme subject to the following conditions and subject to satisfactory monitoring.

#### **B. ENTITLEMENT**

- B1 Sick pay will be due for 13 weeks of sickness absence for all employees who have completed 2 year's continuous service, and for 10 weeks for all employees who have completed 1 year's service, but less than 2 years service. This is the maximum in any 12-month period, and also in any one period of absence.
- B2 Sick pay will not be due for the first 5 working days in any period of sickness absence. Note - If there is evidence of abuse of this, companies will have the right to reset the scheme to the previous level (10 days) pending discussions
- B3 Where a period of sickness extends from one calendar year into the next, paid time off will count against each calendar year.
- B4 The sick pay due under this scheme in respect of qualifying absence is -  
(1) For 13 weeks (or 10 weeks as appropriate) of sickness absence after the first 5 working days, i.e. from the 6<sup>th</sup> working day of absence.  
(2) Payment of the LPA Base Rate for contractual hours for the first 13 weeks (or 10 weeks as appropriate) less normal deductions for National Insurance, Statutory Sick Pay or State Sickness Benefit to which the employee is due in respect of the incapacity.
- B5 Sick pay will count as earnings for the purpose of National Insurance and Income Tax calculations.
- B6 During paid sickness absence regular deductions from pay, which the employee has agreed, will continue to be deducted, i.e. Trade Union contributions, Pension, AVC., BUPA., etc.

#### **C. CONDITIONS**

- C1 To qualify, all periods of absence must be covered by a company issued Self Certification Form, and a Doctor's Statement as required in the Terms and Conditions of Employment. Unless the first Doctor's certificate shows a date for return to work, a final certificate must be obtained before returning to work.
- C2. Eligibility ceases on the day that an employee leaves the Company.
- C3. Payments are made on condition that an employee will be subject to a medical examination by a Company Doctor if the Management considers this necessary.
- C4. Sick pay will not be due for periods of sickness where holiday pay applies, nor will it be due where the absence is solely due to pregnancy.
- C5. Employees must not do any other paid work whilst in receipt of sick pay. Such conduct will result in disciplinary action.
- C6. Employees whose absence results from their own negligence, misbehaviour or sporting activities will not be eligible for sick pay.
- C7. In the event of a disagreement the issue shall be subject to the Company

#### **D. Dispensation of Sick Pay for employees with spouse or partner with a serious or terminal disease.**

The LPA recognises that the effect of an employee or their partner having a serious or terminal illness can differ depending on circumstances. We will therefore, encourage companies to review each situation on an individual basis, and support their employees in whichever way they deem most appropriate in each individual situation.

## **THE NATIONAL HOLIDAY SCHEME**

### **Introduction**

#### The National Holiday Scheme and the Working Time Regulations (1998)

As a result of The Working Time Regulations all employees are entitled to a minimum of 28 days paid leave in the first year of employment, including 8 statutory days. The payment to be made is the employee's own, immediate average earnings calculated in accordance with a formula contained in the Regulations. In the first year of employment, according to the number of completed months served, employees are entitled to a pro-rata proportion of the 28 days as their actual service relates to the holiday year

Recoupment of excess holiday payment made. Employers should include in the contract of employment their right to recover holiday pay in excess of entitlement where employment ends before the holiday payment was 'earned'.

Rounding up. It is a requirement that in calculating the holiday entitlement the outcome of the calculation must be rounded up. Eg. An employee with 5 completed months will be entitled to 5/12ths of 28 days = 11.66 resulting in an entitlement to 12 days.

Employees engaged since the introduction of the Regulations in 1998 will not accrue holiday pay. Employees engaged previously will continue to accrue in accordance with the original National Holiday Scheme, but if, for 28 of the days the P60 figure, + any appropriate nationally negotiated rates increase, falls below the employee's immediate average earnings there will need to be a make-up.

As s part of the aforementioned annual leave, all employees are entitled to 8 days of statutory leave, historically called 'Bank' holidays

The second and subsequent years of employment. Whilst 'new' employees will not accrue any holiday pay, they will use the P60 figure in subsequent years of employment. If that figure falls below the immediate average earnings for the first 28 days there will have to be a make-up. The remaining days of holiday will be paid for at the P60 figure.

### **Interpretation**

*Employees* as used throughout the Scheme this term means those employees whose conditions of employment are governed by the agreements operating in the Leather Producing Industry and also employees whose conditions of employment include recognition of the Industry's National Holiday Scheme.

*Working week* means the week for which wages are usually made up and may vary between factories.

*Leave year* is the twelve month period during which holiday, both annual leave and bank or recognised holidays must be taken. This may differ from the 'holiday payment calculation year' according to company practice.

*Holiday qualifying year* is the period of employment (maximum 12 months) prior to the 'leave year'.

*Annual leave* comprises the days of holiday as negotiated with the Joint Trade Union Side.

*Recognised days* are the days which are also known as Bank or Statutory holidays.

### **Annual holiday Entitlement**

Employees in the first year of employment have an annual holiday entitlement of 28 days, including Bank Holidays. Those with over one year's service will be eligible for a minimum of 28 days (annual and Bank Holidays), but may have accrued more based on service in the calendar year up to a maximum of 23 days annual holiday plus Bank holidays. Thereafter everyone should then be paid 23 annual holiday days plus 8 Bank Holidays.

Employees will also be entitled to an increase in annual holiday allowance, linked to time of service, of an additional one day of leave after a minimum of 5 years of service

## **Qualification and Basis for Payment**

### **Entitlement (employees with less than 12 months service)**

2a) Employees with less than 12 months service shall receive 'immediate average earnings' for 28 days annual holiday. Where less than a week of annual holiday is taken at one time, payment will be on a pro rata basis.

### **Entitlement (employees with more than 12 months service)**

2b) In respect of the said four weeks and three days of annual holiday every employee who has rendered continuous service for the whole of any 'qualifying holiday year' shall receive for a week of holiday a sum equal to their average earnings in that year. This shall be determined from an employee's P60, or calculated in accordance with clause 3(b) whichever is the greater.

### **National wage awards**

2c) Wage increases agreed as part of any national wage settlement shall be added to annual holiday pay calculated on the P60 figure in respect of holidays taken after the date of implementation of the settlement. This is in respect of holidays provided by the National Holiday Scheme.

### **Timing of annual leave payments**

For those who leave their employment, accrued holiday money shall be paid at the time of leaving and not be held over until the next Annual Holiday

### **Holiday pay as required by the Working Time Regulations**

3a) For the first 28 days of holiday in any 'leave year' employees with required continuous service must receive their immediate personal average earnings calculated in accordance with the formula provided in 3b below, or their average calculated in accordance with the P60, whichever is the greater. New employees will receive their personal average for the proportion of the twenty days to which they are entitled.

### **Immediate personal average earnings**

3b) Where the contractual earnings do not vary, that non-variable earnings level in existence at the time of the holiday must be paid. From the 6<sup>th</sup> of April, 2020, where the contractual earnings vary by bonus, piecework, etc., then the average must be calculated over the fifty two normal weeks worked prior to the holiday being taken. The calculation will exclude premium payments for overtime.

If an employee has not been in employment for long enough to build up 52 weeks' worth of pay data, their employer should use however many complete weeks of data they have. For example, if a worker has been with their employer for 26 complete weeks, that is what the employer should use.

To prevent employers having to look back more than 2 years to reach 52 weeks' of pay data, from 6 April, there will be a limitation on how far employers should look back. Any weeks that are before the 104 complete weeks prior to the first day of the worker's holiday are not included. In this case the reference period is shortened to however many weeks are available in this 104-week period.

Employers should still only count back as far as is needed to achieve 52-weeks' worth of pay data if this is less than 104 weeks.

## **Sickness (old scheme - pre 1998)**

4a) Where an employee has been absent from employment on grounds of sickness or incapacity from other causes, and has produced a Doctor's Statement to that effect, or it is proved to the satisfaction of the employer that absence is due to industrial injury, such absence up to a maximum of twenty eight weeks shall be disregarded for the purpose of calculating the proportion of holiday pay.

4b) For each week of such absence in excess of twenty eight weeks lost in the 'leave year' the total holiday pay due shall be reduced by  $\frac{1}{52}$ nd if 52 weeks service has been achieved in the holiday year. The denominator of this fraction shall be reduced to the number of weeks' of actual service in the leave year where appropriate.

4c) Individual days of sickness or incapacity shall be ignored for the purposes of this clause.

4d) Where Statutory Sick Pay (SSP) has been paid under the SSP Scheme, all payments of SSP and the period of incapacity for work to which such payments relate shall be disregarded for the purpose of calculating holiday pay.

### **Termination of Employment**

5a) Employees leaving through no fault of their own, or after serving due notice shall be entitled to the proportion of each week's holiday pay provided in Clause 2.

5b) Wage increases agreed as part of any national wage settlement are added to annual holiday pay (Clause 2c). In the case of an employee leaving a firm's employment the wage increase shall be added only to any outstanding holiday pay which would have been payable in the holiday year in which the increase takes place.

5c) Companies which followed the National Agreement Holiday Scheme prior to 1998 will need to ensure that employees whose employment ceases are paid the balance of holiday pay under the previous holiday scheme.

### **Arrangement of Holiday Dates**

6a) The times at which the Annual Holiday shall be taken are to be agreed mutually between the Management and Employee or Employees concerned. In the event of disagreement the decision of the Management shall be final provided that: (a) The Management shall first discuss the difficulty locally with the Union concerned, and (b) no worker shall be required to take the main two weeks of Annual Holiday before 1st May or after 30th September in any year. Three consecutive weeks may be taken subject to agreement between the Management and the Employee or Employees concerned.

6b) The remaining amount of Annual Holiday may be taken as individual weeks or as individual days outside the normal holiday season.

6c) It is recommended that employers give early notice of holiday arrangements.

### **Time Off for Trade Union Duties**

7a) Accredited Trade Union representatives, including health and safety representatives and union learning representatives, are permitted reasonable time off with pay by their employer under the Trade Union and Labour Relations (Consolidation) Act 1992. On such authorised occasions the employee shall be credited with holiday pay based upon average earnings for each day of such absence

7b) Community Union representatives will be entitled to paid leave to attend the Community Union Conference, every two years

### **Bank or Other Recognised Holidays**

(Referred to in the following clauses as 'recognised holidays')

8a) The official Bank Holidays in England, Scotland and Wales shall be treated as recognised holidays and paid for as ordinary days on the basis set out in Clause 2.

8b) The eight recognised holidays for the purpose of this Scheme shall be agreed locally and posted up in each factory.

### **Payment for recognised holidays**

9. Employees with 12 months service in the Holiday Year shall receive 1/5<sup>th</sup> of the weekly figure calculated in accordance with Clause 3. This calculation shall be adjusted if necessary in accordance with the terms of Clause 4 of the National Holiday Scheme relating to sickness.

### **Employees with less than 12 months service**

10. These employees will receive their 'immediate personal average earnings' for recognised Holidays.

#### **Sickness and Incapacity**

11 Employees absent from work for reasons related to sickness and incapacity and who have provided evidence to the satisfaction of the employer will not be disqualified from receiving recognised Holiday pay.

#### **When payment must be made**

12 Payment in respect of each of the recognised Holidays shall be made on the normal pay day after the respective holiday subject to the proper observation of the essential conditions.

#### **Lay-off or Short Time Working**

13a) Where employees are laid-off or placed on short time working owing to slackness of trade they shall not be deprived of pay for recognised holidays which fall within the 28 day legislative requirement. For such recognised holidays outwith the legislative requirement, payment will be made providing the period of suspension has not exceeded four weeks immediately prior to such recognised holidays. Employees who work an odd day or so at casual work during such suspension will not forfeit rights under this clause.

13b) Where owing to slackness of work employees are working alternate weeks or under some similar arrangement they shall not be deprived of any holiday pay on that account.

#### **Working on Recognised Holidays**

14 Where employees are called upon to work on a recognised holiday an alternative day of paid holiday must be taken. The normal hours worked on such days will in the case of time-workers be paid at time-and-a-half (double time if Christmas Day) and for piece-workers (over and above their piece-work earnings) half the basic time-work rate (full basic time-work rate if Christmas Day).

#### **Part Time Workers**

15 The payment for Annual Holiday and recognised holidays shall be applied to part time workers on a pro rata basis according to the proportion of a normal week worked.

#### **Interpretation**

16 Any dispute in the interpretation of these clauses, if not capable of being resolved at company level, or between the national officers of the Trade Union and the Secretary of the Leather Producers' Association may be referred to the Joint Standing Committee.