

# Members' Briefing REVENUE & CUSTOMS GROUP

To: **All Members**

cc: **Branch Secretaries, Group Executive Committee, Equality Chairs, VOAC** (for info)

Can this Briefing be circulated via HMRC IT systems: **YES/NO**

Website: **YES**

Action to be taken: **For the attention of all members**

Date: **10 January 2022**

Ref: **R&C/MB/002/23**

## SELLING ANNUAL LEAVE

- **HMRC announce a limited time trial of the sale of annual leave**
  - **PCS disappointed at lack of consultation**
    - **Advice to all members**

HMRC have today (10 Jan 2023) announced that for a short trial period up until 31 January, all staff will have the opportunity to sell up to 1 week or 37 hours annual leave back to HMRC; for part-time members of staff the maximum will be a pro rata equivalent of 1 week's annual leave.

This is a trial and HMRC have stated that they will be evaluating the benefits before making any further decisions around any long-term policy changes.

There is no mechanism for staff to either buy back annual leave that they have sold at a later date or for staff to buy any extra annual leave.

### **No meaningful consultation with PCS**

PCS have not agreed to the course of action being taken by HMRC.

There has been no meaningful consultation with PCS, we have been informed that this is a trial that HMRC intend to carry out but have not been asked for our agreement.

### **Important considerations before taking up any offer to sell annual leave**

As soon as the trial was raised with PCS, we raised some very serious concerns.

PCS believe that the proposal is incredibly cynically timed, coming as it does when many members of staff are facing severe financial difficulties, due to the skyrocketing cost of living; and against the backdrop of the government refusing to offer public sector workers a decent pay increase.

With incidences of PCS members across the civil service relying on food banks, it's clear to us that although management claim that selling leave designed for rest and recuperation is optional, the reality will be that some members will feel that they have no choice in the matter.

In short, the proposal could lead to a scenario where routinely, the poorer-paid members of staff end-up feeling they have no choice but to work for longer than their better-paid colleagues.

Although some other departments, such as the Department for Work and Pensions (DWP), have the option to sell annual leave; the DWP model is based around selling leave towards the end of the year, in circumstances where (e.g.) there has not been the opportunity to take the leave.

Although all requests for payment must be voluntary; it must be applied for prior to the closing date of 31 January; so timing-wise, the HMRC proposal is the opposite of the DWP scheme, with HMRC members being invited to sell leave towards the beginning of the year, with (and this is critical) *no possibility of buying that leave back*. If you take payment for this leave now, but decide later in the year that you would like to take additional time off, there will be no mechanism for you to pay back the money and reclaim the annual leave. As all annual leave years now renew in September, anyone taking up this offer needs to be mindful that we are a full nine months away from the annual leave renewal date.

There are also serious questions to be answered about the possibility of the proposal impacting on your pension accrual; not to mention the matter of members who receive in-work benefits such as Universal Credit, who may find that selling their leave may impact on their benefits.

Obviously, payment will be made at your plain time hourly rate and will be subject to both Income Tax and National Insurance in the usual way.

### **Speak to your union!**

Clearly, it's important that you don't rush into decisions like this. If you have any concerns about the content of this briefing, or wish to discuss any of its contents, then please don't hesitate to get in touch with your branch, who can collate any questions, and we can raise them with the department. PCS will also be engaging with the department, regarding the evaluation of the proposed trial.

### **Join PCS today**

If you've read this briefing and you aren't yet a member of PCS, then [join today](#).

### **Get involved!**

Remember, HMRC applies restrictions on the content of union circulars distributed using the department's email system, so make sure that you stay in touch with your union. You can find your membership number in your latest email digest from PCS.

If you haven't already done so, let PCS have your personal/non-work email address and your mobile phone number. We'll only use it to keep you informed about PCS matters. You can update your details securely online by registering for [PCS Digital](#) or by contacting your local PCS rep, and asking them to enter your details securely on the PCS Organising App.

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