

# Farm Secretarial Services

Newsletter Issue 2

October 2008

## Agricultural Wages Order - October 2008

The revised order, which came in to effect on 1<sup>st</sup> October 2008, includes revised rates of pay for all grades of farm worker. The new minimum rates of pay are as follows:

Minimum rates of pay for Grades 1 – 6			
	Weekly Pay £/week	Hourly Pay £/hour	Overtime Pay £/hour
Grade 1 of compulsory school age		2.87	4.31
Grade 1 above compulsory school age	223.86	5.74	8.61
Grade 2	244.14	6.26	9.39
Grade 3	268.71	6.89	10.34
Grade 4	288.21	7.39	11.09
Grade 5	304.98	7.82	11.73
Grade 6	329.55	8.45	12.68

It is important that you ensure all of your staff are being paid at least the minimum amounts in the above table from 1<sup>st</sup> October and that they are all employed under the correct grade. If you are unsure, please don't hesitate to contact us and we can go through it with you.

### ANNUAL LEAVE ENTITLEMENTS

All workers covered by the order are entitled to minimum amounts of annual leave. The amount of leave a worker is entitled to is ascertained by using the number of days they work each week.

#### 1. Fixed number of weekly working days:-

For a worker who works Basic Hours any hours of Guaranteed Overtime on a fixed number of days each week, that number of days is the number of days worked each week and is to be used to ascertain the worker's annual leave entitlement using Table A below.

#### 2. Varying number of weekly working days:-

For a worker who works Basic Hours and any hours of Guaranteed Overtime on a varying number of days each week, the number of days worked each week as specified in Table A below is to be calculated using the following steps:-

##### Step 1

Establish the period for which leave entitlement is to be calculated. This period is from the start of the annual leave year to the day immediately preceding the commencement of a period of leave to be taken by the worker in the same leave year.

**Green & Kelly**  
**Farm Secretarial Services**

15 Cheviot Drive  
Thornbury  
Bristol. BS35 2YA  
Tel / Fax 0845 833 4661  
Email: [info@farmsecretary.co.uk](mailto:info@farmsecretary.co.uk)  
Web: [www.farmsecretary.co.uk](http://www.farmsecretary.co.uk)

## Step 2

Calculate the number of qualifying days for the worker in the Period. Qualifying days are those days on which the worker was working Basic Hours or Guaranteed Overtime and any days when the worker was taking:

- Annual leave (whether contractual or under the Agricultural Wages Order)
- Statutory leave under the order (including adoption leave, maternity leave, paternity leave and sick leave)

## Step 3

Divide the number of qualifying days in the Period (from Step 2) by the number of weeks in which the worker undertook any work in the Period. The resulting figure is the number of days worked each week by the worker and is to be used to ascertain the worker's annual leave entitlement using table A below.

Table A

<b>Annual leave for workers who work for the whole annual leave year for the same employer</b>							
Days worked each week	More than 6	More than 5 but not more than 6	More than 4 but not more than 5	More than 3 but not more than 4	More than 2 but not more than 3	More than 1 but not more than 2	1 or less
Annual leave entitlement (days)	38	35	31	25	20	13	7.5

## **BUYOUT OF ANNUAL LEAVE**

Part of a worker's annual leave entitlement may be bought out by agreement between the employer and the worker. The employer and the worker may agree that the worker is to forego one or more days of their annual leave during the annual leave year and that the worker is to work on such day(s) instead. Where there is such an agreement, it is subject to the conditions set out below and may not relate to any day of the worker's annual leave once the maximum number of days that may be bought-out as specified in Table B has been reached.

The conditions are that:-

- At the time of the agreement the employer must promptly make a written record in respect of each day of foregone annual leave;
- such a record is to be retained for a period of 3 years from the expiry of the annual leave year to which the agreement relates;
- Where (for whatever reason) the worker does not work as agreed on a day of foregone annual leave, that day shall not be treated as a day of foregone annual leave; and
- A worker who works on any day of bought-out annual leave is entitled to both holiday pay and wages at the appropriate overtime rate for their grade or category as set out in the Order, for work carried out on that day.

**Table B**

<b>Maximum number of days annual leave that may be bought out in any annual leave year</b>							
Days worked each week (calculated in accordance with <b>sub-section 11.3</b> )	More than 6	More than 5 but not more than 6	More than 4 but not more than 5	More than 3 but not more than 4	More than 2 but not more than 3	More than 1 but not more than 2	1 or less
Maximum annual leave that may be bought out (Days)	10	7	3	2.5	2.5	1.5	1.5

This is only a summary of the details under the order. If you are in any doubt, you should obtain a copy of the Agricultural Wages Order 2008 either by contacting the Agricultural Wages Helpline on 0845 0000 134. You can also download a copy of the order at <http://www.defra.gov.uk/farm/working/agwages/index.htm>

If you need any assistance regarding any of these issues, please feel free to contact us.