Leave and absence administration

Process Definition Document (PDD): template and worked example

Example company (fictional): Pennine Print & Packaging Ltd, a commercial printer in Sheffield, England (280 employees).

Document control

Field	Value
Process name	Leave and absence administration
Process owner	[Name, role]
Prepared by	[Name]
Reviewed by	[Names of the people who do the work]
Approved by	[Name, date]
Version	1.0 (as-is)
Status	Draft

How to use this template

This is a complete process definition document (PDD) for leave and absence administration, also called absence management administration, holiday and sickness process or leave tracking. It covers the paperwork and the records: how a holiday request is approved, how a sickness absence is reported and documented, what happens at return to work, how long-term absence and statutory leave are passed to HR, and how absence data reaches payroll and the monthly report. The company is fictional, but the flow is the one most HR teams of 2 to 5 people run every week.

Use it as a starting point. Replace the company details, the approval rules and the notice periods, then walk through each step with HR, a few line managers and payroll. This document is administrative on purpose. It does not decide anything about an individual's performance, capability or employment, and it keeps health information to the minimum that the process needs. Employment and leave law differs by country and changes, so the rules here are described in general terms and must be checked locally before you adopt them.

- Replace the company, the systems and the roles with yours. In a small company, the HR Administrator and the HR Advisor may be one person, but the restricted folder should still exist.
- Check every rule that depends on law against your country: notice for statutory leave, when a medical certificate is needed, what the employer may ask and what it may record. This document does not state them.
- Set your own thresholds: the day a fit note is required, the day of handover to HR and the payroll cut-off. Write them where managers can see them.
- Decide which reason codes exist and keep the list short. Fewer codes mean fewer mistakes and a cleaner report.
- Give managers a 10-minute briefing on what they may and may not ask or record. Most breaches of health data come from well-meant notes in an email.
- If you operate shifts, link approved holiday to the shift plan, so cover is checked once and not twice.

1. Purpose and scope

This procedure describes how Pennine Print & Packaging Ltd administers holiday, sickness and other leave. It runs from the moment an employee asks for time off or reports an absence to the moment the absence data has gone to payroll and appears in the monthly report. It gives employees, line managers, HR and payroll one shared route, so that every absence is recorded once, on time and in the same way, so that payroll pays what it should, and so that health details stay with the few people who need them.

In scope

- Holiday requests, approval and balance records
- Reporting of sickness absence, self-certification and fit notes
- Return-to-work records for sickness absence
- Handover of long-term absence from the line manager to HR
- Parental and other statutory leave as an administrative flow: requests, evidence, dates and records
- Absence data to payroll and the monthly absence report

Out of scope

- Decisions about an individual's performance, capability, conduct or employment
- Medical or occupational health advice and assessments
- Payroll calculation, which payroll does, and statutory pay rules
- Disciplinary, grievance and redundancy processes
- Recruitment of cover, which the line manager handles with HR separately

2. Process at a glance

Item	Description
Trigger	An employee requests time off, reports sickness or notifies a planned statutory leave.
Starts when	The request or notification reaches the HR system or the line manager.
Ends when	The absence is closed in the HR system, the data has gone to payroll and the month is in the report.
Inputs	Holiday requests, Sickness notifications by phone or message, Fit notes and statutory leave evidence, Return-to-work dates, HR system absence records at month end
Outputs	Approved or declined holiday with an updated balance, Absence record with start date, end date and reason code, Minimal, restricted health file held by HR only, Written confirmation of statutory leave dates, Absence file to payroll and a monthly report
Volume	About 1,900 holiday requests, 520 sickness absences and 12 statutory leave cases a year
Working hours	Monday to Friday, 08:30 to 17:00. Holiday requests are answered within 3 working days, sickness is recorded the same day it is reported, and the payroll file goes by the 19th of each month.

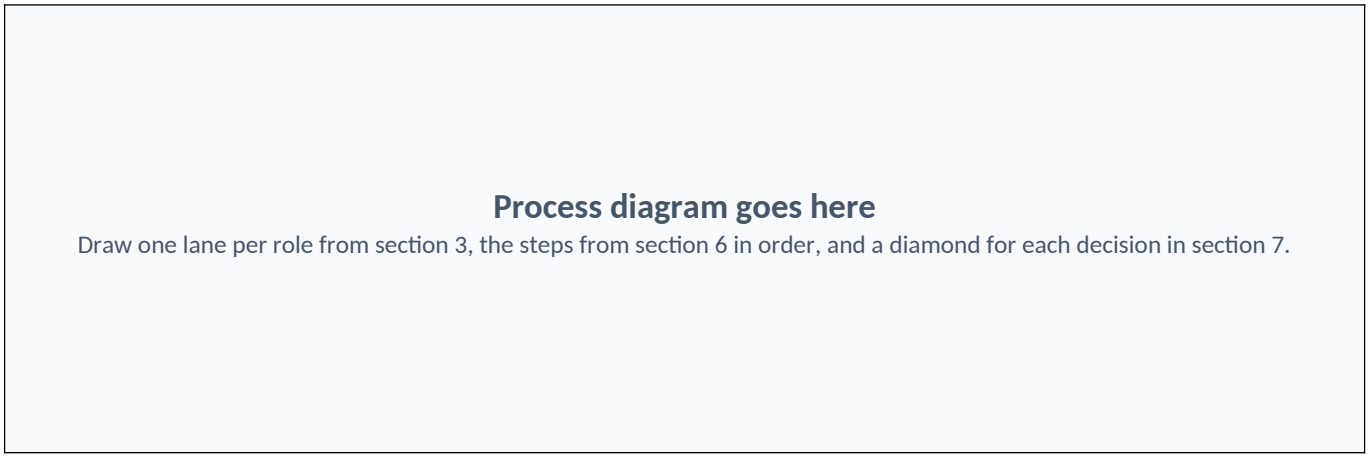
3. Roles and responsibilities

Role	Responsibilities
Employee	Requests holiday, reports sickness on the first day, supplies fit notes and evidence, and confirms the return date.
Line Manager	Approves or declines holiday with team cover in mind, records the start of a sickness absence, holds the return-to-work conversation and reports to HR.
HR Administrator	Keeps the leave and absence records, tracks balances, reminds about fit notes, closes absences and produces the month-end extract and report.
HR Advisor	Is the only person besides the employee's HR file holder who sees health details. Files fit notes, takes over long-term absence and handles statutory leave cases.
Payroll Officer	Applies absence and leave data to the monthly payroll, raises queries and confirms what was paid.
Head of HR	Reviews the monthly report, decides on exceptions to the leave rules and owns the policy.

4. Systems

- HR information system: leave requests, balances and absence records
- Restricted HR folder on SharePoint, for fit notes and statutory leave evidence
- Payroll system and its monthly import file
- Email and Teams for notifications
- Shift planning spreadsheet used by the production teams
- Monthly absence report in Excel

5. Process map



6. Procedure, step by step

#	Step	Who	What happens	System	Output
1	Submit a holiday request	Employee	Enters the dates in the HR system, with half days where needed. The system shows the remaining balance. Requests should be made at least twice as many days ahead as the leave is long. This takes about 3 minutes.	HR information system	Holiday request
2	Approve or decline the holiday	Line Manager	Checks the team calendar and the production plan for cover, then approves or declines with a short reason. The target is 3 working days. If there is no reply after 3 working days, the system reminds the manager and copies HR. About 7% of requests are declined, mostly because of peak periods.	HR information system, shift planning spreadsheet	Decision on the request
3	Check the balance and record approved holiday	HR Administrator	Reviews approved requests that take the balance below zero or carry over more than the policy allows, and sends them to the Head of HR. Other requests update the balance automatically. About 5% of requests need a manual check, which takes about 5 minutes each.	HR information system	Updated balance, or referral to the Head of HR
4	Report sickness on the first day	Employee	Tells the line manager before the start of their shift, by phone or message, that they are unwell and when they expect to return, if they know. The employee is not asked for a diagnosis. Details are only given if the	Phone or message to the line manager	Absence reported

#	Step	Who	What happens	System	Output
			employee chooses to give them.		
5	Record the start of the absence	Line Manager	Enters the absence in the HR system the same day, with the date and the expected return, and marks the reason as sickness without detail. Arranges cover for the shift. This takes about 3 minutes.	HR information system	Open absence record
6	Monitor the absence and trigger reminders	HR Administrator	Checks open absences every morning. On day 5, sends the employee the self-certification form for days 1 to 7. On day 6, reminds them that a fit note is needed from day 8. Does not contact the employee about health. This takes 10 minutes a day.	HR information system	Self-certification form and fit note reminder
7	Provide self-certification and fit note	Employee	Returns the signed self-certification after a short absence, or sends the fit note to HR directly, not to the line manager, for an absence over 7 calendar days. A fit note is chased after 3 working days. About 25% of absences last more than 7 days.	Email, restricted HR folder	Self-certification or fit note
8	File the fit note with minimal detail	HR Advisor	Files the fit note in the restricted folder, records only the dates covered and whether adjustments were suggested, and tells the line manager the dates and the adjustments, never the condition. The folder is open to HR Advisors only. This takes about 5 minutes. Adjustments are suggested in about 10% of fit notes.	Restricted HR folder	Filed fit note, dates and any adjustments for the manager
9	Hold the return-to-work conversation	Line Manager	Meets the employee on the first day back for 10 to 15 minutes, confirms the return date, hands over anything missed, asks whether any adjustment is needed to the work, and records the date and that the conversation took place. Health details are not recorded. If the employee shares a concern, the manager passes it to HR.	HR information system	Return date and conversation recorded
10	Close the absence record	HR Administrator	Checks the end date against the fit note and the return-to-work record, calculates the working days lost, applies the reason code and closes the record. A missing end date is chased with the line manager within 2 working days. This takes about 5 minutes.	HR information system	Closed absence record with days lost
11	Take over long-term absence	HR Advisor	Takes over from the line manager when an absence reaches 28 calendar days or when fit notes continue. Agrees with the employee how and how often to keep in touch, makes sure the employee knows who to contact, and informs payroll of any change in pay status. Decisions about capability or employment are not made in this process. This applies to about 4% of absences.	HR information system, restricted HR folder	Handover note and contact plan
12	Notify parental or other statutory leave	Employee	Tells HR in writing, with the expected dates and the evidence that the law in the country requires, such as a medical certificate or a matching certificate. Notice periods are set by law and must be checked locally. About 12 cases a year.	HR information system, email	Written notification and evidence
13	Check evidence and confirm	HR Advisor	Checks the evidence against the legal requirement, confirms the dates, the	Restricted HR folder	Confirmation letter and filed

#	Step	Who	What happens	System	Output
	dates in writing		expected return and the keep-in-touch arrangements in a letter within 28 days, and files the evidence in the restricted folder. Missing evidence is requested once and chased after 5 working days. This takes 30 to 45 minutes per case.		evidence
14	Record the statutory leave	HR Administrator	Enters the leave with the right reason code, adjusts holiday accrual according to the policy, tells the line manager the dates so that cover can be planned, and sets a diary reminder for the return date and any changes. This takes about 15 minutes.	HR information system	Statutory leave record and planned return
15	Produce the month-end absence extract	HR Administrator	On the 15th working day closes the month, extracts all absences and leave with dates, reason codes and days, and checks that no record is open without a reason. Open records are chased with the managers until the 17th. This takes about 1 hour.	HR information system, Excel	Absence extract for the month
16	Apply absence data to payroll	Payroll Officer	Imports the extract, checks the reason codes against the pay rules and applies unpaid leave, sickness pay status and statutory leave pay. Queries go back to the HR Administrator by the 20th. About 6% of records raise a query. This takes about 2 hours.	Payroll system	Payroll input with absence applied
17	Answer payroll queries and reconcile	HR Administrator	Corrects wrong dates or reason codes in the HR system, confirms with the manager where needed and compares the total days lost in the HR system with the days in the payroll file. The two must match before payroll is final. This takes about 45 minutes.	HR information system, email	Corrected records and a reconciled total
18	Review the monthly report	Head of HR	Reviews the report on days lost, absence rate by department and open cases, and decides on exceptions to the leave rules. Departments with small numbers are shown together so that no individual can be identified. This takes about 30 minutes.	Excel	Reviewed report and exception decisions

7. Decision points and business rules

- Is there cover for the dates requested? No: the line manager declines with a reason (step 2). About 7% of requests.
- Does the request take the balance below zero or past the carry-over limit? Yes: the Head of HR decides (step 3). About 5% of requests.
- Does the absence last more than 7 calendar days? Yes: a fit note is needed (step 7). About 25% of absences.
- Does the fit note suggest adjustments? Yes: the HR Advisor passes the adjustments, not the condition, to the line manager (step 8). About 10% of fit notes.
- Has the absence reached 28 calendar days? Yes: the HR Advisor takes over from the line manager (step 11). About 4% of absences.
- Is the evidence for statutory leave complete? No: the HR Advisor requests it once and chases after 5 working days (step 13). About 20% of cases.
- Does payroll have a query on a record? Yes: the HR Administrator corrects it before payroll is final (step 16). About 6% of records.

8. Exceptions

- Employee cannot report sickness themselves (about 3%): a relative or colleague may call, and the line manager records who called.
- Sickness begins during holiday (about 2%): the holiday is changed to sickness from the date of the fit note, if the policy and local law allow, and the balance is restored.
- Fit note arrives late or after the employee has returned (about 8%): HR files it and updates the end date, and payroll is told before the cut-off.
- Manager enters the wrong reason code (about 5%): HR corrects it at month end and tells the manager, so that the record matches the evidence.
- Statutory leave starts earlier than planned (about 10% of cases): the employee tells HR as soon as possible, and HR updates the dates and tells the manager and payroll.
- Request to pay or carry over holiday in an unusual case: referred to the Head of HR, whose decision is filed on the record.

9. Controls

- Fit notes and statutory leave evidence are stored in the restricted folder, open to HR Advisors only.
- The line manager sees dates and adjustments, never the condition.
- Holiday balances change only through an approved request or an HR correction, and every correction has a note.
- The total days lost in the HR system must equal the days in the payroll file.
- The monthly report is aggregated and avoids small groups, so that no individual can be identified.
- Health records are kept for the period set by the retention policy and then deleted.
- Leave rules are checked against current local employment law at least once a year.

10. Known issues today

- Managers approve holiday by email or in person and forget to update the HR system, so balances are wrong.
- Sickness is recorded days late, so the fit note reminder is also late.
- Fit notes arrive in the line manager's inbox, so health details are seen by people who should not see them.
- Reason codes are chosen by managers, and the same absence is coded in different ways.
- Payroll receives the extract after its deadline because open records are still being chased.
- Long-term absence is handed over late, and the employee gets no contact for weeks.

11. RACI matrix

R = responsible (does the work), A = accountable (owns the outcome), C = consulted, I = informed.

Activity	Employee	Line Manager	HR Administrator	HR Advisor	Payroll	Head of HR
Request and approve holiday	R	A	I			
Update balances and handle exceptions	I	I	R			A
Report sickness and record the start	R	A/R	I			
Chase and file fit notes	R	I	R	A		
Hold the return-to-work conversation	R	A/R	I	C		
Close the absence record		C	A/R			
Hand over long-term absence	C	R	I	A	I	I
Administer statutory leave	R	I	R	A	I	

Activity	Employee	Line Manager	HR Administrator	HR Advisor	Payroll	Head of HR
Send absence data to payroll		C	A/R		R	I
Review the monthly report		I	R	C	I	A

12. KPIs

KPI	Definition	Target
Holiday requests answered within 3 working days	Share of holiday requests approved or declined within 3 working days of submission. Target 95%.	[set]
Sickness recorded on the day reported	Share of sickness absences entered in the HR system on the first day of absence.	[set]
Absence rate	Working days lost to sickness divided by working days available in the month, shown for the company and for departments of 10 or more people.	[set]
Return-to-work conversations recorded	Share of closed sickness absences with a recorded return-to-work conversation within 2 working days of the return. Target 95%.	[set]
Records open at month-end cut-off	Number of absence records without an end date or reason code at the extract date. Target zero.	[set]
Payroll queries on absence data	Share of absence records sent back by payroll for correction in the month.	[set]

13. Revision history

Version	Date	Author	Change
1.0	[date]	[name]	First as-is version

Free template from processfix.ai. You may copy and adapt it. The company in the example is fictional.