

Statutory Holiday Entitlement

Amendments to legislation and outcomes from Employment Tribunal rulings holiday ought to be taken into consideration when calculating holiday pay for the 4 weeks annual leave entitlement stated in the EU Working Time Directive.

Full Time Workers: Working a full year

Employees are entitled to statutory holiday of 5.6 weeks per year or 28 days. These are made up of 4 weeks (20 days) plus the additional 1.6 weeks (8 bank holidays) and this applies to full time workers who work 5 or more days per week.

Full Time Workers: Working part of a year

A) Starting work on the 1st of the month

A pro rata calculation will apply. Here's an example:

A full-time worker is entitled to 20 days for each 12 months worked. Their employment commences 1st October 2018 and the holiday year ends on 31st December 2018. How much holiday entitlement is due for the three months worked?

$20 \text{ (Days)} / 12 \text{ (Months)} = 1.66 \text{ Days accrued per month}$
 $1.66 \text{ (Days)} \times 3 \text{ (Months)} = \mathbf{4.99 \text{ Days}}$
(This calculation excludes bank holiday entitlement).

B) Starting work part way through a month

In this example it may be more appropriate to calculate the total time worked in weeks.

Use the full-time holiday entitlement figure (20 days) divided by 52 weeks of the year multiplied by the number of weeks worked in the holiday year.

Part time workers who:

A) Work the same number of hours each day

Apply a pro rata calculation as follows:

$3 \text{ (days)} \times 5.6 \text{ (weeks)} = \mathbf{16.6 \text{ days}}$

Or

$4 \text{ (days)} \times 5.6 \text{ (weeks)} = \mathbf{22.4 \text{ days}}$

Employee must work the same number of hours each day.

B) Work a different number of hours each day but work the same total hours each week

Calculate the annual entitlement in hours. Their entitlement is then relative to the full-time employee

A full-time worker does 7.5 hours per day, Mon to Fri, totaling 37.5 hours per week
($5.6 \text{ weeks} \times 37.5 \text{ hours} = 210 \text{ hours}$)

A part time worker's holiday entitlement is calculated as a proportion of these 210 hours

Part time worker does 20 hours per week

$210 \text{ hours} / 37.5 \text{ hours} \times 20 \text{ hours} = \mathbf{112 \text{ holiday hours}}$

C) Work a different number of hours each week (irregular hours)

These are also called 'casual workers' and there is a calculation to assist in this. For every hour worked the employee will accrue 7.242 minutes statutory holiday which converted into a percentage is 12.07%

$\text{Total hours worked} \times 12.07\% = \text{Accrued holiday hours}$

Do we round up or down?

This is an employer decision and whatever the outcome, it must be stated in the employees contract.

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