



## ADVICE SHEET

# HOLIDAY CALCULATIONS

### What is the basic holiday entitlement?

In the UK, employees working a 5-day week get a minimum of 28 days' paid holiday days per year (incl. bank holidays) or 5.6 weeks. This is known as statutory leave entitlement. Employers can give more than the minimum entitlement if they wish to do so.

### What is pro-rata holiday entitlement?

Pro-rata holiday entitlement is a calculation based on the amount of holiday an employee is entitled to in relation to the amount of the holiday year they have worked. Or the number of days they work in a week, if less than 5.

Zero-hour workers are entitled to holiday in the same way as full and part-time workers at a rate of 28 days a year. However, they might work 12 hours one week, 20 the next, then none the next.

To work out how much holiday pay they receive, you should take an average of their pay in the 52 previous working weeks. Their holiday should be taken in blocks of 1-week.

### How to work out pro-rata holiday entitlement?

The basic way to work out how many days holiday an employee is entitled to is to multiply the number of days a week they work by 5.6 weeks. Which is usually rounded up to the nearest 0.25.

**Full Time is 5 days x 5.6 weeks = 28 days**

**OR**

**Part Time is 3 days x 5.6 weeks = 16.8 days**

If an employee starts or leaves part way through the holiday year, then the amount of holiday they are entitled to will be calculated based on the amount of time they have actually worked for you. This would be their pro-rata holiday entitlement. Full time starts halfway through the year:

**5 days x 5.6 weeks = 28 days x 6/12 or 0.5 = 14 days**

**OR**

**3 days x 5.6 weeks = 16.8 days x 0.5 = 8.4 days**

It's important to note that employees accrue annual leave at the rate of 1/12 per every month worked.

If an employee works different hours on different days, then it is easier and fairer to calculate their leave in hours. Instead of using 5 days as the basis you use the number of hours they work per week instead.

**30 hours x 5.6 weeks = 168 hours**



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### Bank holiday rights and calculations

Workers do not have a statutory right to not work bank holidays. As an employer you decide whether or not they can. You can also decide whether bank holidays are part of their holiday entitlement or additional to it, but you must lay those terms out in any contract of employment. Whether you offer extra pay for working bank holidays should also be outlined.

Part-time workers are entitled to the same amount of bank holidays but on a pro-rata basis and, if employment terms state they have to work bank holidays, then they can't refuse.

Employees are entitled to any additional bank holidays e.g. the Coronation in 2023. Pro-rated if they are part-time.

### Accruing holiday entitlement

Employees start to accrue holiday from the moment they start working for you. Each month they accrue 1/12 of their annual entitlement in advance. They will still accrue leave even if on maternity, paternity, adoption or sick leave.

### Carrying over leave into the next holiday year

Carry over is a term used in relation to holiday and refers to when an employee has unused holiday that they would like to 'carry over' into the next holiday year.

Under the EU working time directive employees must take 4 weeks' paid leave a year or it will be lost. The extra 1.6 weeks (or 8 days) can be carried over to the next year with employer agreement.

You can also write in extra leave and what happens around it into an employee's contract.

The exception to these rules, is if an individual is unable to take their statutory minimum leave due to sickness or maternity, in which case it can be carried over to the following year but must be taken within 18 months.

It is up to the employer whether you allow leave to be carried over. Employee wellbeing and morale is important but, at the same time, you don't want a rush of people all taking leave at the end of the year.

For more information or to trial Breathe, our HR Software which helps to calculate and administer leave, email us at [enquiries@sylobeyondhr.com](mailto:enquiries@sylobeyondhr.com)

For a free health check on your organisation use our [HR Diagnostic Tool](#) to receive a Diagnostic Report based on your results, and a range of HR Retainer Services to choose from to support you.