Holiday Entitlement

Full-Time

This is someone who works 40 hours over 4/5 days per week.

Based on a 20-day holiday entitlement with 8 bank holidays (BHs) per year, the formula to work out leave entitlement is as follows:

28 (20 days leave plus 8 days BHs) = 28 days leave including BHs or 20 days excluding BHs

Part-Time

This is someone who works less than 5 days a week.

Based on a 20-day holiday with 8 bank holidays per year, the formula to work out leave entitlement is as follows:

28 (20 days leave plus 8 days BHs) / 5 (number of full-time days) x NUMBER OF DAYS WORKED PER WEEK = NUMBER OF DAYS LEAVE INCLUDING BHs

Example 1:

Based on an employee who is entitled to 20 days leave a year and works 3 days a week:

28 (20 days leave plus 8 BHs) / 5 x 3 = 16.8 days leave including BHs. This will be rounded up to 17 days.

*Bank Holidays must be taken from the total holiday leave entitlement by counting the number of BHs that fall on the employee's normal day of work and deduct this number from the employee's total leave allowance. The number remaining will be the employee's number of days leave

Example 2:

Based on an employee who works 3 days a week on Mondays, Tuesdays and Thursdays in 2021:

16.8 days leave (as shown in Example 1) – 7 (Bank Holidays that fall on the employee's normal days of work, in this example, there are 7 BHs falling on a Monday during 2021) = 9.8 days remaining leave entitlement

Shift Workers / Differing Hours

A member of staff who works the same number of hours each week but in differing shift patterns will have their holiday entitlement calculated as follows:

28 (number of full-time days plus 8 days BHs) / 5 x NUMBER OF HOURS WORKED PER WEEK = NUMBER OF DAYS LEAVE INCLUDING BHs

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Example 3:

Based on an employee who is entitled to 20 days leave a year and works 30 hours per week:

28 (20 days leave plus 8 days BHs) / 5 x 30 (hours worked per week) = 168 hours of leave entitlement including BHs

**In the same way that BHs are deducted in Example 2, they must be deducted from hourly leave entitlement too, as shown in Example 4

Example 4:

Based on an employee who is entitled to 20 days leave a year and works 30 hours per week, over 3 days, (which equals 10 hours per day) on Tuesdays, Wednesdays and Fridays:

28 (20 days leave plus 8 BHs) / 5 x 168 (hours shown in Example 3) – 30 (BHs that fall on the employees normal days of work, in this example, there are 2 BHs that fall on a Friday and 1 BH that falls on a Tuesday in 2021 and the employee works 10 hour days) = 138 hours leave entitlement

Additional Bank Holidays

If an additional BH is allocated in a year an employer can choose from one of the following options to account for this situation:

a) The employer can opt to pay the employee for this day
b) The employer can insist that staff take this day from their holiday entitlement (you need to ensure that it is added on to the overall allowance)
c) The employer can give the employee the option to take this day as unpaid leave, although whether or not the employer charges their customers for this day should be taken into consideration for this option

Leavers

If an employee leaves the Company part-way through the year you must use the following formula to calculate whether the employee is owed holiday entitlement or has taken too much holiday entitlement at the point of leaving:

Number of weeks worked in the year to date of leaving / 52 weeks x days or hours annual holiday entitlement.

Example 5:

Based on a full-time employee who leaves at the end of January and is entitled to 20 days leave a year:

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4 (weeks worked to point of leaving) / 52 x 28 (20 days leave plus 8 days BH) = 2.15 days (rounded up to 2.5 days)

***If the employee has not taken 2.5 days leave, this must be paid to them upon leaving. If the employee has taken more than 2.5 days leave, this must be deducted from their final salary

Joiners

If an employee joins the Company part-way through the year you must use the following formula to calculate their holiday entitlement from their start date to the end of the year:

Number of weeks left in the year / 52 weeks x annual holiday entitlement

Example 6:

Based on a full-time employee who starts in the first full week of July and is entitled to 20 days leave a year

25 (number of weeks left in the year) / 52 x 28 (20 days leave plus 8 BHs) = 13.46 days (rounded up to 13.5 days) including BHs

*Some employers give their managers and other staff more than the statutory 20 days' holiday plus Bank Holidays. If this is relevant to you, then the above formulae still apply, however you will need to insert the correct number of days/hours for your organisation

Further guidance
GOV UK website
https://www.gov.uk/calculate-your-holiday-entitlement

ACAS
https://www.acas.org.uk/checking-holiday-entitlement

This policy was adopted on	Signed on behalf of the nursery	Date for review
16/1/2023	m khaira	16/01/2024