

## Happy Holiday Planning

Holidays are a highly-regarded benefit for employees and to many of us they are an important time to rest and recuperate away from the workplace.

Employers who set and communicate clear guidelines for holiday planning will reduce the likelihood of having disgruntled employees, poor holiday cover, as well as ensuring you meet your duty of care to provide the required statutory annual leave for employees.

Many awkward “holiday request” conversations can be avoided with a little forethought, planning and open communication.

See below for FAQ’s and broad principles to use in holiday planning.

- **How much holiday entitlement do I have to give employees?**

Employers have a statutory obligation to give all workers 5.6 weeks leave per year, although some employers choose to give more.

For most **full time** employees working 5 days per week this is equivalent to a statutory minimum of **28 days** annual leave. To calculate the entitlement, just multiply a normal working week (5 days) by the annual entitlement of 5.6 weeks. **Part time** holiday entitlement is prorated in proportion to the hours worked. For example if an employee works 2 days per week you multiply  $5.6 \times 2 = 11.2$  days.

Holiday is accrued from the start of employment but if an employee starts or leaves part way through your holiday year then the holiday entitlement is prorated to reflect the length of service for that holiday year.

For straightforward holiday calculations use the calculator at <https://www.gov.uk/calculate-your-holiday-entitlement>

- **What about employees who work shifts?**

The same criteria are applied to different types of working arrangements which are irregular such as shift work, compressed hours or flexible working

- **What is a holiday year?**

Employers can choose when they start and finish their holiday year to fit their business requirements. Commonly a holiday year runs from Jan 1<sup>st</sup> to Dec 31<sup>st</sup>. The holiday year is the period that employees can use their holiday within.

- **What about bank holidays? They are separate aren't they?**

Employers can choose whether or not to include bank / public holidays in annual leave.

For example some employers state that annual leave for a full time employee is 28 days **including** Bank holidays and some say it is **excluding** bank holidays, in which case a full time employee would be entitled to 28 days holiday and in addition the usual number of bank / public holidays which is most commonly 8 days. Whichever you choose you must be explicit within the employment contract.

- **Are part time workers entitled to bank holidays?**

Yes, part timers are entitled to everything that a full timer is – just in proportion to the hours they work. If you include bank holidays within the annual holiday entitlement then it is already covered by their basic holiday entitlement i.e. a proportion of 28 days.

If you give BH in addition to their basic holiday then you need to make sure you give your part timers a proportionate increase in addition to their basic too. So the 5 days a week employee benefits from an additional 8 days; therefore the person who works 3 days a week is entitled to an additional 4.8 days.

If a bank / public holiday falls on a day on which the employee usually works, the time taken off on that day can be deducted from the 4.8-day entitlement. If a public holiday falls on a non-working day, this will not eat into the part timer's leave entitlement and he or she can take leave at another time.

- **Can employees take too much holiday?**

If an employee leaves your employment part way through the year, but they have taken more holidays than they have accrued or earned they will have the equivalent amount deducted, (if the employment contract allows), from their final salary. Alternatively the employer may come to an agreement with the employee that the excess holiday days taken would be unpaid.

- **Can employees carry holiday from one holiday year to the next?**

Some employers allow employees to carry over holiday entitlement from one year to the next. Employers can only allow this once the employee has taken a minimum of 20 days holiday or the prorated equivalent. For example if you give 28 days' holiday including bank holidays the employee must take a minimum of 20 days in the holiday year but can "carry over" the remaining 8 days.

Proper holiday planning and communication should encourage employees to take their entitlement within the holiday year. If many employees are allowed to "carry over" holiday it can become difficult to find available time to give the holiday. Ideally we encourage employers to ensure that, where possible, all holiday is taken during the year in which it is accrued.

- **How much notice should I ask for from my employees prior to booking their holidays**

Employers can choose how much notice they require. Commonly periods of annual leave must be authorised at least 2 weeks in advance of being taken and should not be assumed as agreed until it is confirmed. Be upfront and clear about the holiday booking process. This will ensure that employees are clear what action is required to request a holiday absence and when it can be considered authorised.

- **Do I have to give holiday throughout the whole year or can I avoid our peak trading weeks?**

Employers can put restrictions on which weeks are available for holidays. Key trading periods can be avoided but this must be communicated to your employees in advance. Equally some employers who close over specific periods state that holiday must be taken during certain times / weeks. Again this is acceptable but you must be sure that this is communicated to everyone.

- **I've got three employees who want the same weeks off, do I have to give it to them?**

Employers can reserve the right to limit the number of employees who may be permitted to take holiday at any one time. The limits should be published and made available to everyone. Holiday requests then will be granted subject to adequate cover being available.

Much goodwill can be created with employees if these decisions are made with fairness and humility. Holidays are important and if dealt with insensitively can create a good deal of bad feeling.

To ensure that there is adequate cover for the business at all times through the year you can encourage employees to take their annual entitlement in an even spread throughout the 12 month period if that works for your business.

- **My employee was sick on holiday, what do I do?**

Employees who are long term sick continue to accrue holiday while they are sick. Some employers define criteria around how much holiday, above the statutory minimum, can be accrued and when it must be taken. If an employee is taken ill whilst on holiday employees can request that the holiday is rebooked another time. Although this is not widely used for ad hoc odd days of sickness, there are instances where a holiday is ruined by an unexpected hospitalisation or serious illness and in these cases, should the employee meet your criteria, you should allow the employee to rebook the holiday if they so wish. Instances such as this should be considered on a case by case basis.

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