



## Holiday pay – increased statutory entitlement from 1 April 2009

**From 1 April 2009 the statutory paid holiday entitlement for all full-time workers (working five days per week or more) will increase from 24 to 28 days (or 4.8 to 5.6 weeks) per year. This can include bank holidays. Part-time workers are entitled to the pro rata equivalent.**

This should be relatively easy to manage for your staff who work fixed weekly hours, whether full-time or part-time. You simply need to issue them with a letter advising of any increased entitlement. It may be a good opportunity to remind staff about any rules you have in relation to booking holiday.

However, for nurseries operating in term-time only or using casual or bank staff to provide cover leading to irregular work patterns, working out holiday entitlement and pay is more complex. In theory a casual worker providing cover for one day per year accrues some paid holiday.

There is a useful guide to calculating holiday pay for these 'atypical workers' on the Business Link website at [www.businesslink.gov.uk](http://www.businesslink.gov.uk), which recommends that holiday pay for casual staff should be calculated as hours are worked.

Annual holiday entitlement is calculated as a percentage of hours worked over a year. From 1 April 2009 this is 12.1% (number of weeks of statutory holiday entitlement divided by number of working weeks in the year). So if someone works ten hours, they are entitled to 1.21 hours paid holiday or 73 minutes.

Holiday cannot be rounded down to the nearest full day but there is no need to round it up. In practice, this means that you can allow the worker to come in late or leave early next time they work, or allow them to book a day's holiday but only pay them for the part day they are owed.

The key points to remember on holiday are:

1. all workers are entitled to paid holiday. This includes casual and bank staff as well as employees

2. the entitlement to paid holiday starts from the first day of employment
3. workers should not be paid in lieu of their holiday. They must be allowed to take it
4. workers must take at least four weeks leave per year. If you and the worker agree, any holiday on top of this can be carried over but must then be used in the following holiday year
5. workers should not be paid a 'rolled up' rate in lieu of holiday. They should be paid for the holiday at the time they take it
6. any employee on maternity leave or long term sick leave continues to accrue statutory holiday
7. workers must be paid for holiday they have accrued but not taken on termination of their employment, even if they are dismissed summarily for gross misconduct

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### Action points

- Ensure you have sufficient cover to accommodate the increased statutory holiday requirements.
- Ensure your staff, including your casual workers, are aware of their entitlements.
- Keep careful records of holidays accrued and taken for all your staff.