

## Holiday Pay Calculations – Q&A

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**Q: For staff on fixed term contract—for example, four to eight weeks' duration only—how do we calculate holiday or holiday pay entitlement?**

**A:** The calculation is the same as before. This case doesn't change the position for fixed term employees, only those employed on a permanent (i.e. ongoing basis) contract who are not required to work every week of the year. This includes term time only workers on a permanent contract, or workers whose employment is not ended at the end of each individual assignment.

**Q: How do we calculate holiday for zero hours staff? Does the number of weeks' worked affect their holiday (pay) entitlement?**

**A:** Only to the extent it can change how far back you need to go in calculating the holiday pay. These workers get 5.6 weeks every year, regardless of how many weeks they actually work in the year (unless – see above). To calculate their pay, a 52 working week average is used – based only on working weeks, employers must go back up to 104 weeks to find weeks in which work has been performed.

**Q: Are there any implications for the holiday entitlement for permanent part-time staff working every week of the year?**

**A:** No, there are no implications for part-time staff who work every week of the year

**Q: Is it retrospective? when will the new calculation requirements start?**

**A:** Yes, it is a changed interpretation of existing law rather than a change in the law. Therefore, it has retrospective affect. Full entitlement should be given to those affected in the current annual leave year. Up to two years back pay may also be owed. Strictly speaking there is a three month time limit to bring a claim, ending either with the last payment of holiday pay or the end of the last annual leave year, although tribunals are able to waive this in exceptional circumstances (which these may be held to be).

For further support please contact **0844 561 8133** and quote **36183**.