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# [Company]

# Annual Leave Policy

### Introduction

This policy sets out the Company’s position in relation to paid annual leave, details what employees are entitled to and how they should go about requesting this leave.

This policy applies to all employees as well as workers providing a service to [Company] (but not as a client or customer) and excludes self-employed contractors. The term ‘worker’ will be used in this policy to describe all employees / workers who are entitled to paid holidays.

The policy is non-contractual and may be amended by [Company] from time to time at its absolute discretion.

Company leave policy is in line with the legal entitlement for all staff to have 5.6 weeks paid holiday a year. This allowance includes all present and any future statutory bank or public holidays which may be introduced.

### Calculation of Leave Entitlement

The Company leave year runs from 1st January to the 31st December every year.

Individuals starting part way through a leave year will have their remaining pro-rata leave entitlement calculated using the Government website holiday entitlement calculator (<https://www.gov.uk/calculate-your-holiday-entitlement>). This will be communicated to them by their line manager and entered on to their Annual Leave Record Card.

All staff are entitled to 5.6 weeks annual leave per annum. For full time staff this is the equivalent of 28 days per annum. Part-time staff are also entitled to 5.6 weeks leave but this will equate to 28 days pro-rated to their actual days or hours of work. For example a member of staff working 3 days per week will get 3 days off in an annual leave week times 5.6 weeks which is 16.8 days.

For some workers who work a fixed number of hours but not the same number of hours each day, or for some who work part-time, it may be more appropriate to calculate their holiday entitlement in hours. If this is the case the worker’s line manager will explain to the worker how their leave is calculated.

Should a worker increase or decrease their working hours on a permanent basis, their annual leave entitlement will be recalculated from the date of change to accurately reflect their changed number of hours worked.

Where workers work irregular hours (such as a zero hours contract), the Company uses a leave accrual system. The leave a worker may take accrues in steps as the worker progresses through the year. Therefore, a worker gets one-twelfth of their full annual leave entitlement on the first day of each month, bringing it up to the calculated total by the end of the leave year. Generally speaking, leave should only be taken once it has been accrued. This is to avoid having to pay back any leave which has been overtaken should the employee leave the Company. However the Company recognises that there may be times where leave may be requested prior to being accrued – for example to take an early summer holiday or in December to use leave before the end of the leave year. Accrued leave will be calculated at the end of each calendar month and recorded on the workers Annual Leave Card (Appendix 1).

Regardless of the number of hours worked, statutory paid holiday entitlement is limited to 28 days per annum.

### Requesting Annual Leave

Workers should submit their leave request giving as much notice as possible so arrangements can be made to cover their absence. As a rule of thumb workers should ask for holiday leave at least twice the amount of time beforehand as the amount they want to take off. So if 2 weeks are requested at least 4 weeks notice should be given. Leave is granted on a first-come-first-served basis so the more notice given the more likely a request is to be granted.

Workers leave requests should be submitted to their line manager using their annual leave card (appendix 2).

While [Company] will try to accommodate reasonable requests for annual leave, there may be times when it may not be granted such as:

* During very busy periods for the business
* If other members of staff have requested the same time period of leave and their request was received and granted first
* If there is a high level of staff sickness absence

If a leave request is refused the worker will be informed at least the same amount of time beforehand as the amount of time requested. So if 5 days have been requested the Company will let the worker know at least 5 days before the start date that is has been refused, and give reasons as to why it has been turned down.

During certain known times of the year there may regularly be more requests for annual leave than can be accommodated; for example local holidays or Christmas. At these times leave requests will not be dealt with on a first-come-first-served basis as normal. Rather line managers will seek to ensure that leave for these periods is allocated fairly in the present and subsequent leave years. For example a worker who has to work the festive period one year may be entitled to take leave for the following years festive period.

The Company would advise workers not to commit to holiday plans until requests to take annual leave have been authorised. The Company will not be responsible for any costs incurred by employees whose annual leave plans are not authorised.

Even if already approved, the Company reserves the right in exceptional circumstances to cancel a workers annual leave request should this prove necessary. Should this be the case, the worker will be informed at least the same amount of time before the leave start date as the amount of time requested.

### Requirement to take Annual Leave

On certain occasions [Company] may require workers to take annual leave for example during a shutdown for summer holidays, certain religious festivals or during the festive period.

The Company will endeavour, where possible, to let workers know at the start of the annual leave year the dates of any such shutdown. However in exceptional circumstances, the Company reserves the right to ask workers to take annual leave anytime with appropriate notice (a minimum of twice as many days before the leave date as the number of days we require workers to take).

When given notice of a requirement to take annual leave workers must ensure they keep enough leave to cover this period. Failure to do so will result in the worker having to take unpaid leave for the uncovered period.

### Holiday Pay

Workers holiday pay is based on their usual working pattern. If their working hours do not vary (part time or full time) their pay will be calculated using their usual pay rate.

Where they do not have fixed or regular hours or their pay is not always the same, their holiday pay will be calculated on the average number of hours worked at their average hourly rate in the previous 52 weeks where pay was received (or if they have worked for the Company for less than that, the number of weeks they have been employed).

Any regularly received paid overtime, commission or bonus payments will also be included in the holiday pay calculation for a minimum of 4 weeks of the workers 5.6 weeks of paid leave.

Payment for holidays is made on the normal pay date unless otherwise authorised by the Company.

### Carry over of untaken Annual Leave

Employees must take their full annual leave entitlement during the holiday year in which it accrues. Any annual leave untaken at the end of the holiday year will be lost. No payment will made for any periods of unused annual leave at the end of the holiday year.

The only exception to this is where a worker leaves the Company’s employment part-way through a leave year. In these circumstances the worker would be expected to use up all outstanding leave. However, if because of the needs of the business they are unable to do so, then the Company will pay them for any outstanding leave at the date of their termination.

If the worker has overtaken their annual leave entitlement the Company will deduct the value of this from the workers final payment.

Where a worker is on long-term sickness absence and this goes over into the next annual leave period, they can carry over up to a maximum of 20 days annual leave into the second leave year.

Workers on parental leave (maternity leave, paternity leave, adoption leave, parental leave and shared parental leave) will accrue annual leave as normal during these periods. If they have leave which crosses two leave years they can carry forward any unused leave in the first leave year into the second leave year.

### Annual Leave and sickness

Where a worker is sick during a period of approved annual leave and the days are covered by a doctors medical certificate, then these days may be converted to sickness absence and the worker’s holiday entitlement credited for the affected days. The Company’s normal sick pay provisions will apply to these days, and if the worker has received holiday pay, then this will be adjusted at the next appropriate payroll run to reflect any difference between holiday and sick pay entitlement for the period in question.

The worker must follow the Company’s normal sickness absence reporting procedures to report their sickness. Failure to comply with this procedure may result in the worker forfeiting their right to have their annual leave reinstated.

### Unauthorised absence

Any leave taken without authorisation or which does not meet the requirements of this procedure will be considered unauthorised absence. The Company reserves the right to withhold payment or deduct from an employee’s salary payment for all periods of unauthorised absence. The Company also reserves the right to take action under its Disciplinary Procedure regarding any unauthorised absence up to and including dismissal.

# Appendix 1 - Annual Leave Request Card – Workers on Irregular Hours

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **Month** | **Hours accrued for month + hours left from previous month** | **Leave request start date** | **Leave request end date** | **Number of hours** | **Hours remaining** | **Date submitted** | **Authorised** |
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# Appendix 2 - Annual Leave Request Card

You should complete this form if you wish to request a period of Annual Leave under the terms of the Company’s Annual Leave Policy and submit it to your line manager.

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Annual Leave Entitlement:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_days / hours

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| --- | --- | --- | --- | --- | --- |
| **Leave start date** | **Leave end date** | **Number of days / hours** | **Days / hours remaining** | **Date submitted** | **Authorised** |
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