

Calculating holiday pay

When an employee or worker takes holiday, they should get the same pay when they're on holiday as when they're at work – whatever their working pattern.

Some employers might offer better holiday pay schemes. You should check your contract.

Holiday pay calculations can be based on:

- days or hours worked per week
- casual or irregular hours
- shifts

2. How a week's pay is calculated

For calculating holiday pay, a week usually starts on a Sunday and ends on a Saturday.

You should calculate your holiday pay from the last full week that you worked. This can end on or before the first day of your holiday.

You should only use another 7-day period if that's how your pay is calculated. For example if your pay is calculated by a week ending on a Wednesday, then you should treat a week as starting on a Thursday and ending on a Wednesday.

Your working pattern

Fixed hours

If your working hours do not vary (part time or full time) your holiday pay will be calculated using your usual pay rate.

For example, if you work 37 hours every week and get paid £400 a week, when you take a week's holiday, you must get paid £400.

[Work out holiday pay if you're paid monthly on GOV.UK.](#)

No fixed hours

If your work has no fixed or regular hours, your holiday pay will be based on the average pay you got over the previous 52 weeks. For example, if you do casual work on a zero-hours contract or shifts that change without a fixed pattern.

If for any of the 52 weeks you got no pay at all, use an earlier week in its place for calculating holiday.

If you get a small amount of pay for a week, for example Statutory Sick Pay, you should use another week where you received your

usual pay for calculating holiday. This is because you should get paid the same when you're on holiday as when you're at work.

You should only count back as far as needed to get 52 weeks of your usual pay. If necessary, you can look at the pay you got over the previous 104 weeks, but no further.

If you have not yet been employed for 52 weeks

If you have not yet been employed for 52 weeks, your employer should look at how many full weeks you've been employed for.

For example, if you've been with your employer for 26 full weeks, your employer should look at the average pay you got during those weeks to calculate your holiday pay.

[Find examples for working out holiday pay where there's no fixed hours or pay on GOV.UK.](#)

Taking holiday before you've built it up

If your employer agrees, you may be able to take paid holiday before you've built up ('accrued') enough holiday entitlement. For example, your employer might agree for you to take holiday soon after you start a new job.

They will not be able to calculate pay in the usual way, looking at your average pay from previous weeks. Instead, you should get an amount that fairly represents your pay for the agreed time off.

To work out what's fair, your employer should consider:

- the amount you're paid for the job
- the pay you've already received, if any
- what others who do a similar job are paid for their holiday

Overtime, commission and bonus

If you regularly get paid overtime, commission or bonuses, your employer must include these payments in at least 4 weeks of your paid holiday.

Some employers might include overtime, commission and bonus payments in your full 5.6 weeks' paid holiday (statutory annual leave), but they do not have to. This is because the law on overtime, commission and bonus payments being included in holiday pay is based on the EU Working Time Directive, which is 4 weeks' holiday only.

Rolled-up holiday pay

You must get paid for your holiday when you take it. If your employer is spreading your holiday pay over the year by adding an amount on top of your hourly rate, this is known as 'rolled-up' holiday pay and your employer should not do this.

Holiday that's less than a full day

If you've built up ('accrued') less than half a day of holiday, your employer must round this up to half a day.

If you've built up between half a day and a full day of holiday, your employer must round this up to a full day.

If you think your holiday pay should be different

If you think you're not getting as much paid holiday as you're entitled to or are not sure how it's being calculated, you should [talk with your employer](#).

Some employers might offer a better holiday pay scheme. You should check your contract.

Remember, if you believe your holiday pay is incorrect, you have 3 months less 1 day from the date you received the last incorrect payment to take your claim to an [employment tribunal](#). So it's a good idea to talk to your employer as soon as possible.

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