1. **Introduction**
   1. This policy outlines how [enter name of organisation] (the Company) manages annual leave.
   2. It applies to all types of leave offered by the Company, including statutory leave under the Working Time Regulations and any additional contractual leave.
   3. Please note that this policy is not part of your employment contract, and the Company may update it at any time.
2. **Holiday entitlement**
   1. Our holiday year runs from **1 January to 31 December**.
   2. When you first join the Company, your holiday will build up at a rate of 1/12th of the yearly allowance for each full month you work, rounded up to the nearest half day.
   3. You are entitled to a minimum of **5.6 weeks of paid holiday each year** as per the Working Time Regulations 1998. This includes **four weeks of basic holiday** plus an additional **1.6 weeks**.
   4. Any extra holiday you’re entitled to beyond this will be detailed in your employment contract.
   5. **Bank and public holidays** are [included in OR additional to] this allowance. If they are included, you will have 20 days of holiday to use as you wish. If they are additional, you will receive a total of 36 days of paid holiday each year.

[DRAFTING NOTE: If bank and public holidays are **included** then the employee only has 20 “free” days to use. If they are in addition then consider under this policy that the employee will receive 36 days’ paid annual leave.]

**Part-time Workers**

* 1. If you work part-time, your holiday entitlement is adjusted based on your normal working week. This means that both your statutory and any additional holiday allowance are pro-rated according to the number of days you work each week compared to full-time employees.
  2. You will also receive a proportionate number of bank and public holidays. We’ll let you know your total holiday allowance at the start of each holiday year.

[DRAFTING NOTE: Whilst this is a pragmatic solution, it can result in the part-time worker having fewer “free” days to use, particularly if they work on a Monday when most UK bank holidays occur. In this case, you should be cautious to avoid any potential discrimination against the worker on the grounds that they are part-time.]

**Irregular Hours Workers**

* 1. If your work hours vary, your holiday allowance will build up at a rate of **12.07%** of the hours you work. [DRAFTING NOTE: 12.07% is calculated on the basis of 28 days’ annual leave. For higher leave amounts, you will need to calculate the appropriate percentage.]
  2. You may need to work on bank or public holidays if required, but you’ll be given a day off in lieu if this happens.
  3. You can carry forward up to **one week** of your holiday allowance to the next holiday year. Any carried-over holiday must be used within the first **three months** of the following year. When you take holiday, any carried-over days will be used first.

[DRAFTING NOTE: Not permitting carry over is OK or you may wish for more control here e.g. manager approval. In any event, clearly specifying the rules is important.]

1. **Booking holiday**
   1. To book your holiday, you need to get it approved in advance by your Manager through Leavetrack. If your request is for a specific reason, like attending an important event or for religious purposes, please mention this in your holiday booking request.
   2. To keep the business running smoothly, we ask that holidays are taken in blocks of no more than **two weeks** at a time. We’ll do our best to accommodate all requests, but we need to ensure business continuity. If there’s a conflict between requests, priority will be given based on when the request was submitted to your Manager.
   3. Please avoid making any firm travel plans until you’ve received written approval for your holiday. The Company cannot be held responsible for any lost deposits or other costs if your holiday request isn’t approved.
   4. The Company may also require you to take holidays on specific dates, such as when the business is closed, or during a notice period or garden leave. If this happens, we’ll give you reasonable notice.
2. **Holiday entitlement and family leave**
   1. Your holiday entitlement will continue to build up while you’re on adoption, maternity, parental, paternity, or shared parental leave.
   2. If you’re planning to take family leave that might extend beyond the end of the holiday year, please talk to your Manager as early as possible to discuss how you’ll use your holiday allowance.
   3. We encourage you to use as much of your holiday as possible before your family leave begins. If that’s not practical, consider taking it right before you return to work.
   4. If you can’t take all your holiday before or during your leave, you can carry over any remaining days to the next holiday year. To help ensure you can use your full holiday entitlement, the Company might ask you to take some of your annual leave at certain times.
3. **Sickness during holiday**

If you become sick or injured while on holiday leave, the Company allows you to treat that time as sick leave instead. Similarly, if you’re already on sick leave before a pre-booked holiday, you can choose to cancel the holiday days that overlap with your sickness and reclaim them to use at a later date.

These options are available under the following conditions:

1. **Notify Your Manager**: You (or someone on your behalf) must call your Manager right away if you become sick during your holiday and want to convert it to sick leave.

1. **Medical Certification**: Where possible, get your sickness certified by a medical professional. If that’s not possible, follow the self-certification rules currently in place.
2. **Submit a Written Request**: No later than three working days after you return to work, you need to give your Manager a written request detailing how much of your holiday was affected by sickness and how much leave you’d like to take later.

1. **Use Within the Same Holiday Year**: Any holiday days you reclaim under this rule should be taken within the same holiday year.

[DRAFTING NOTE: Strictly speaking, this can be carried over as per any other type of holiday but this sort of restriction will likely minimise the risk that employees misuse the right.]

1. **Long-term sickness absence**
   1. Your holiday allowance will continue to build up while you're on sick leave.
   2. If your sick leave extends across two holiday years, or if you return to work too close to the end of a holiday year to use all your accrued holiday, you can carry over any unused basic statutory holiday entitlement (four weeks, including bank and public holidays) to the next holiday year.
   3. Please note that this carryover is only for your basic statutory holiday entitlement and does not include any additional statutory or contractual holiday allowance.
   4. Any holiday carried over must be used within 18 months from the end of the holiday year in which it was accrued. If you don’t use it within this period, it will be lost, and no payment in lieu will be made.
   5. Alternatively, you can choose to take your accrued holiday allowance during a period of long-term sickness. If you wish to do this, please submit a written request in advance to your Manager, specifying how much holiday you want to take and the dates. This holiday will be paid at your normal holiday pay rate.
2. **When your employment ends**
   1. As your employment comes to an end, you’ll generally be required to use any outstanding holiday entitlement during your notice period or while on garden leave, unless your Manager provides written approval for you not to do so due to business needs.
   2. When your employment ends, if you have any accrued but unused holiday for that holiday year, you’ll receive payment in lieu for those days. However, if you’ve taken more holiday than you’ve accrued, you’ll need to repay the Company for the extra days, which may be deducted from your final salary.
   3. Please note, when your employment ends, you’ll only be paid in lieu for accrued but untaken statutory holiday allowance. There will be no payment in lieu for any accrued but untaken contractual holiday allowance.