

## NTF Worked Examples

### Holiday calculations from 1<sup>st</sup> January 2024

Examples on new Government guidance for calculating holiday entitlement for employees leaving part way through a holiday year.

There are three steps:

- Calculate the full annual leave entitlement
- Work out the proportion of the leave year in employment
- Pro-rate based on the proportion of the year in employment

#### Worked example 1 – 30 days holiday per annum

**Note for these worked examples, we have ignored 2024 being a leap year. For real time calculations that will need to be taken into account.**

**In each example the employee is full time and entitled to either 30, 32 or 34 days holiday per annum.**

Holiday year 1<sup>st</sup> January to 31<sup>st</sup> December

Employee started work 1<sup>st</sup> March and is leaving on 17<sup>th</sup> May

- Employee in first year of employment entitled to 30 days holiday
- Proportion of leave year in employment – between 1<sup>st</sup> March and 17<sup>th</sup> May there are 78 days.

78 days employed out of 365 days in leave year

$$78/365 \times 100 = 21.269\%$$

Employee is employed for 21.269 % of the leave year

- Pro-rate leave based on proportion of leave year

$$30 \text{ days holiday} / 100 \times 21.269 = 6.4 \text{ days holiday}$$

#### Worked Example 2 – 30 days holiday per annum

Holiday year 1<sup>st</sup> January to 31<sup>st</sup> December

Employee started work 1<sup>st</sup> March and is leaving on 25<sup>th</sup> August

- Employee in first year of employment entitled to 30 days holiday
- Proportion of leave year in employment – between 1<sup>st</sup> March and 25<sup>th</sup> August there are 178 days

178 days employed out of 365 days in leave year

$$178/365 \times 100 = 48.767\% \text{ of leave year}$$

Employee is employed for 48.767 of the leave year

- Pro-rate leave based on proportion of leave year

$$30 \text{ days holiday} / 100 \times 48.767 = 14.63 \text{ days holiday}$$

### **Worked Example 3 - 32 days holiday per annum**

Holiday year 1<sup>st</sup> January to 31<sup>st</sup> December

Employee is leaving on 5<sup>th</sup> March. There is no carried over holiday.

- Employee in second year of employment entitled to 32 days holiday
- Proportion of leave year in employment – between 1<sup>st</sup> January and 5<sup>th</sup> March there are 64 days

64 days employed out of 365 days in leave year

$$64/365 \times 100 = 17.534$$

Employee is employed for 17.534% of the leave year

- Pro-rate leave based on proportion of leave year

$$32 \text{ days holiday} / 100 \times 17.534 = 5.61 \text{ days holiday}$$

### **Worked example 4 - 34 days holiday per annum**

Holiday year 1<sup>st</sup> January to 31<sup>st</sup> December

Employee is leaving on 5<sup>th</sup> March. There is no carried over holiday.

- Employee in sixth year of employment entitled to 34 days holiday
- Proportion of leave year in employment – between 1<sup>st</sup> January and 5<sup>th</sup> March there are 64 days

64 days employed out of 365 days in leave year

$$64/365 \times 100 = 17.534$$

Employee is employed for 17.534% of the leave year

- Pro-rate leave based on proportion of leave year

$$34 \text{ days holiday} / 100 \times 17.534 = 5.96 \text{ days holiday}$$