



News Story 13.06.07

Government confirms extra holidays for up to 6 million workers.

The Government has laid final draft regulations before Parliament confirming the proposed increase in statutory minimum annual leave entitlement from 20 days (four weeks) to 28 days (5.6 weeks), with the first phased increase to 24 days (4.8 weeks) coming into effect on 1 October 2007. The second phased increase to 28 days will take effect from 1 April 2009, not 1 October 2008 as originally envisaged. It is anticipated that the regulations will be approved by Parliament by the end of June, to give three months' notice of the changes.

As a result of the last round of consultation, some changes have been made to the draft regulations, including:

- To delay introduction of the second phased increase from 4.8 to 5.6 weeks until 1 April 2009.
- To enable payment in lieu (buy out) of the additional holiday entitlement (the additional 0.8 weeks from 1 October 2007) to continue until 1 April 2009. This is a temporary, transitional measure to help employers.
- To provide an incentive for early compliance with the regulations, whereby employers that already meet the full requirements of the regulations as at 1 October 2007 (giving the equivalent of at least 28 days' holiday, without payment in lieu and any carry over being for no more than one year) will be taken outside of the regulations, as long as they continue to meet those requirements.

The other main provisions of the draft regulations remain unchanged, namely that:

- Any time off for bank and public holidays can be included in the additional entitlement.
- The holiday will be calculated on a pro rata basis for part-time workers (4.8 then 5.6 times their usual working week), regardless of whether or not they usually work on bank holidays.
- The increases from October 2007 and April 2009 will be calculated proportionally depending on when the employer's leave year starts.
- To cap the maximum statutory holiday entitlement at 28 days, although employers may give more contractual holiday than that.
- Some or all of the additional holiday may be carried over to the following leave year with the agreement of both the employer and the worker.
- Payment in lieu (buy out) of the additional holiday will not be permitted from 1 April 2009, except on termination of employment.
- The additional holiday will not be excluded from the calculation of average weekly working hours under the Working Time Regulations.
- There will be no qualifying period for the additional holiday entitlement and partial days' holiday need not be rounded up to the nearest full day.

The Government will also set up an online calculator shortly to make it simpler for everybody to work out their new holiday entitlement

These proposals relate to England, Wales and Scotland. The Department for Employment and Learning in Northern Ireland is bringing forward proposals for Northern Ireland.

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