

Payment for Untaken leave

You're only able to receive payment for untaken annual leave in exceptional circumstances. The Working Time Regulations prevent any payment being made for statutory annual leave (5.6 weeks).

Payment will only be considered at the end of the leave year where you've been prevented from taking annual leave, not when you've chosen to take less leave.

You can only receive payment for untaken leave in excess of both:

- the 5.6 weeks we're legally required to provide (which includes public and privilege holidays)
- the 10 day carry-over option

A condition of receiving the payment is that you manage your future annual leave. You won't be able to apply again.

Example 1

Bruce has five weeks' annual leave entitlement, which is 25 days. He also has 11.5 public and privilege holidays. He can therefore take 36.5 days' leave a year. We cannot buy out the 5.6 weeks (28 days) that we're legally required to provide. This leaves 8.5 days.

Bruce can carry over up to 10 days' annual leave to the next leave year, so no payment is required.

Example 2

Selina has six weeks' annual leave entitlement (30 days) and she carried 10 days from the previous year. She also has 11.5 public and privilege holidays. She can therefore take 51.5 days' leave this year.

We cannot buy out the 5.6 weeks (28 days) that we're legally required to provide. This leaves 23.5 days.

If she is unable to take leave due to work commitments, Selina can carry over up to 10 days' annual leave to the next leave year. She can therefore apply to receive a payment for 13.5 days.

How to apply

Directors or chief executives will decide whether a payment is appropriate. They should contact HR Online confirming the number of days the payment should cover.

Payments of untaken leave

We calculate payments using this formula for full-time colleagues:

- $(\text{Full-time salary} \div 260) \times \text{days of untaken annual leave}$

For part-time colleagues:

- $(\text{annual full-time salary} \div 52.2 \text{ weeks}) \div 35 \text{ hours} \times \text{hours of untaken annual leave}$

Salary rates include all:

- fixed allowances
- pay supplements (including Temporary Promotion)

Salary rates exclude:

- allowances of a reimbursable nature (for example footwear allowance)
- compensatory or one-off payments
- overtime

Payments for untaken annual leave are non-pensionable.