

Calculation of Holiday Pay – 2016

Annex A

Allowances currently being included in the calculation of holiday pay

<i>Payment</i>	<i>Payroll Pay Element</i>	<i>Type</i>
Unsocial Ad hoc	2407	Monetary amount
Call out	3000	Monetary amount
Standby	3005	Monetary amount
Get Out (Venues only)	3014	Monetary amount
Tool Allowance	3017	Monetary amount
Clothing Allowance	3018	Monetary amount
Battery Allowance	4015	Monetary amount

Calculation Process:-

It has been agreed the calculation of average holiday pay will be based on the previous 13 week average of payment made prior to the actual holiday being taken. Once you have calculated the average monetary sum of the entire above pay element this will be claimed as one single amount under a separate pay element for Average Holiday Pay for payment via Payroll. Average holiday pay is only due for paid holiday(not accrued flexi); if period of holiday is unpaid then no average holiday payment is due.

The following examples are aimed to help you calculate this new average holiday pay statutory requirement:-

Example1 – Employee takes one weeks holiday (single post holder); you must calculate 13 weeks past average holiday pay payments as follows:-

Week	1	2	3	4	5	6	7	8	9	10	11	12	13	Total	Average / 13 wks
Callout	27.18	0	11.54	0	16.79	0	0	23.08	0	27.18	0	11.54	0	117.31	9.02
Standby	94.45	0	85.86	0	12.88	0	0	12.88	0	12.88	0	12.88	0	231.83	17.83
TOTAL															£26.85

As one weeks holiday taken to be taken, you must claim £26.85 average holiday pay in addition to paid holiday hours.

Example 2 – Employee takes one days holiday; you must calculate 13 weeks past average holiday pay payments as follows:-

Week	1	2	3	4	5	6	7	8	9	10	11	12	13	Total	Average / 13 wks
Callout	27.18	0	11.54	0	16.79	0	0	23.08	0	27.18	0	11.54	0	117.31	9.02
Standby	94.45	0	85.86	0	12.88	0	0	12.88	0	12.88	0	12.88	0	231.83	17.83
TOTAL															£26.85

In this example employee's contract is 37 hours per week, working 5 days per week. You must calculate one days average holiday pay depending if you record holiday in DAYS or HOURS as follows:-

- a. DAYS – average holiday pay $\text{£}26.85 / 5 \text{ days per week} \times 1 \text{ days holiday} = \text{£}5.37 \text{ daily average holiday pay}$
- b. HOURS – average holiday pay $\text{£}26.85 / 37 \text{ hours contract per week} \times 8 \text{ hours holiday} = \text{£}5.81 \text{ average holiday pay}$