

Background

In January this year, the government introduced reforms to simplify holiday entitlement and holiday pay calculations under the Working Time Regulations. These reforms become effective for leave years beginning on or after 1 April 2024. The reforms include:

- Introducing “irregular hours workers and part-year workers” as a new category of workers.
- Introducing a method to calculate statutory holiday entitlement for irregular hours and part-year workers.
- Introducing a method to work out how much leave an irregular hours or part-year worker has accrued when they take maternity or family related leave or are absent from work on sick leave.
- Introducing rolled-up holiday pay as an alternative method to calculate holiday pay for irregular hours workers and part-year workers.

Please note that the reforms **do not apply** to teachers who are employed on Burgundy Book terms and conditions.

Implementation of the reforms for statutory compliance

The below provides an important update with regard to holiday entitlement, the calculation of holiday pay for particular groups of staff and how Bradford Council Payroll Services will address these changes in line with guidance from the Local Government Association.

For Schools, Academies and Trusts, the reforms will need to be implemented as per the following table to ensure compliance:

Leave Year	Implementation Date
1 April to 31 March	1 April 2024
1 September to 31 August	1 September 2024

For staff employed with a Leave Year of 1 January to 31 December, their implementation date should be either 1 April or 1 September as appropriate; pro rata to ensure consistency of implementation across all support staff within each School, Academy or Trust.

1. For staff who work irregular hours / part of each year including Term Time and Term Time Only Plus staff.

- **Term Time Only (TTO and TTO+).** Most Term Time Only (TTO and TTO+) employees are likely to be regarded as part-year workers. Therefore, if during the course of the leave year they work any hours above their contracted hours such as overtime, they will be entitled to receive holiday pay at the rate of 12.07%. This percentage is in line with the Working Time Regulations for this group of workers.

- **Irregular hours / part year workers.** Casual workers, such as Exam Invigilators, will also fall within the new category of irregular hours and part-year workers. They will accrue their annual leave entitlement based on 12.07% of the hours worked in any pay period, up to a maximum of 28 days' leave per year (5.6 weeks). Their holiday pay should be paid at their "normal" rate of pay. This percentage is in line with the Working Time Regulations for this group of workers.

For administrative convenience, Payroll Services will pay casual workers rolled up holiday pay, calculated at the rate of 12.07% of their normal hourly pay and itemise it separately on their payslips. This will mean that a casual worker who has been paid rolled up holiday pay will not receive any pay when they take annual leave.

2. Full Year Workers

This will include those staff who have all year round permanent or temporary employment contracts. These staff are entitled to receive additional holiday pay on the following:

Regular non-contractual overtime. Overtime time will be regarded as "regular" if it has been worked in 4 months out of the previous 6 months or 8 months out of the previous 12 months prior to the claim for the overtime hours being made. This will be paid as rolled up holiday pay, calculated as a 7.69% uplift to the normal overtime hourly rate and will be itemised separately on the pay slip. This percentage is in line with the Working Time Regulations for this group of workers.

Payment of the accrued holiday pay

Bradford Council Payroll Services will automatically calculate (using the appropriate percentages as outlined above) and pay any accrued holiday payments one month in arrears. The accrued holiday pay will be shown separately on the employee's salary slip ensuring compliance to the reforms.

The table below shows the implementation timeframe depending on the type of school and the need for some SLA clients to opt in:

Type of School	Accrual Holiday Pay Applied	Shown in Salary Slip	Automatically Opted In?
CBMDC Maintained (Community / VC) or Foundation and VA Schools or Nurseries	April 2024	May 2024	Yes
Independent, Free Schools, Academies or MATs	April and May 2024	June 2024	No*
PACT HR Clients who do not buy Bradford Payroll Services or operate outside of the Bradford District (e.g. Calderdale, Kirklees or Leeds)	Please contact your payroll provider in the first instance to ensure compliance. Should you need any support, Please click here to prompt a phone call / appointment with a PACT HR colleague.		

Free, Independent Schools, Academies and MATs who buy Bradford Payroll Services will need to advise payroll as to whether they are opting into these arrangements as they are not automatically opted in.

[Please click here](#) to advise Payroll Services of the date you wish the changes to start (from June salary payment date onwards for April / May accrued holiday payments) or to notify them that you do not wish to progress with the payment of accrued holiday pay.

Should you not advise Bradford Payroll Services of your intentions (therefore opting out) or you wish not to be included, it is advised that you take independent legal advice to ensure you are not in breach of the Working Time Regulations 1998: Amendments to Holiday Pay 2024 Reforms.

Monthly Payroll Types

To ensure Holiday Pay is calculated and paid correctly from April 2024, Wage Types applicable for the above allowances will not automatically calculate holiday pay and as a result these have been delimited from Bradford Council's Payroll System. Please therefore ensure that only the following wage types are used going forward:

- 1006 = Casual Hours
- 1200 = Overtime Plain Time
- 1203 = Overtime Time & Half
- 1204 = Overtime Double Time

Should you have any queries regarding the revised wage types, please email PACT HR's Contracts and Administration Team as per the link below.

Contracts of Employment and Casual Worker Agreements

PACT HR Contracts and Administration Team will automatically amend contracts to reflect the above changes for any contracts issued after 1 May 2024 for PACT HR's Contracts and Administration (school support) SLA Clients.

For schools who do not purchase PACT HR Contracts and Administration Service, please contact your HR provider or liaise with the person(s) responsible for revising your contracts.

Queries and further information

PACT HR Contracts and Administration SLA Clients - please contact PACT HR via email: [Click here](#) or call the PACT HR Helpdesk: 01274 436644

Schools who do not buy PACT HR - Please contact your HR provider for further advice regarding these reforms.