

Irregular hours and part-year workers

Building up holiday

There are specific rules about holiday for irregular hours workers and part-year workers.

What an irregular hours worker is

Someone is an irregular hours worker if, under their contract in that year, the number of hours they work in each 'pay period' is wholly or mostly variable.

A pay period is how often someone gets paid, for example, weekly or monthly.

For example, Sam is paid weekly and works a different number of hours each week. Their contract says that their hours will vary each week. Sam is likely to be an irregular hours worker.

Irregular hours workers will usually include people on zero-hours contracts, casual contracts or bank contracts.

If someone's hours are fixed under their contract, they will not be an irregular hours worker.

For example, Alex has a rotating 2-week shift pattern where they work 15 hours in week 1 and 20 hours in week 2. Although Alex works different hours across the 2 weeks, their hours are fixed. They are not an irregular hours worker.

What a part-year worker is

Someone is a part-year worker if their contract:

- · says they are required to work only part of that year
- says there are periods of at least a week when they are not required to work and which they are not paid for
- is in place all year around, including when they're not working

For example, Mel is a seasonal worker on a farm. They only work and get paid during spring and summer months. Mel's contract says there are some weeks when they will not have to work and will not get paid. Mel is a part-year worker.

Someone can still be a part-year worker if they have fixed hours.

Agency workers

An agency worker could be an irregular-hours worker or part-year worker if their working pattern fits either definition.

If they do not fall into either of the definitions, different rules about how much holiday someone gets will apply.

Leave years beginning on or before 31 March 2024

Rules about building up holiday depend on when someone's leave year starts. This is because the new law for irregular hours workers and part-year workers took effect on 1 April 2024.

If someone's leave year began on or before 31 March 2024 the new rules do not apply until their next leave year. They must get 5.6 weeks' paid holiday as a minimum.

Their holiday entitlement should not be affected by how many weeks they actually work in a year. This is because the employment contract is in place for the whole year.

Leave years beginning on or after 1 April 2024

The new rules apply to irregular hours workers and part-year workers whose leave year began on or after 1 April 2024.

Employers might need to update employment contracts if the new rules apply to their workers. There are procedures an employer must follow if they're changing the terms of a contract.

Under the new rules, irregular hours workers and part-year workers 'accrue' (build up) holiday:

- at 12.07% of the hours they work in a pay period
- · on the last day of the pay period

A pay period is how often someone gets paid. For example, weekly or monthly.

The 12.07% is based on the statutory minimum holiday entitlement of 5.6 weeks. If a worker's contract gives them more holiday than the statutory minimum, their employer will need to adjust this percentage.

If someone's holiday entitlement includes part of an hour, this is:

- · rounded down to the nearest hour if less than 30 minutes
- rounded up to the nearest hour if 30 minutes or more

If a worker gets the statutory minimum holiday entitlement, the most holiday they can accrue in a year is 28 days.

Employers could allow workers to use holiday throughout the year before they have accrued it.

Example of working out holiday entitlement

Jamie works irregular hours and is paid monthly. Their leave year started on 1 April 2024. They are entitled to the statutory minimum holiday entitlement only.

The new rules for irregular hours workers apply, so the employer should discuss the changes with Jamie. The employer should also follow the process for changing Jamie's contract.

In June, Jamie works 70 hours. Their holiday entitlement for June will be 12.07% of 70 hours. This works out as 8 hours, after rounding down the part hour that is less than 30 minutes.

Using holiday accrued in the final pay period of a leave year

A worker accrues holiday on the last day of a pay period.

For example, Frankie works irregular hours and is paid monthly. Their leave year started on 1 April 2024. On the last day of each monthly pay period, they will accrue holiday based on how many hours they worked that month.

Employers have a legal responsibility to make sure workers take the holiday they're entitled to. Employers should plan with workers when they will take holiday they accrue in the final pay period of the leave year.

For example, they could:

- allow workers to take the holiday in the final pay period, before they have accrued it
- have a clear agreement to allow workers to carry over the holiday to the next leave year

Get more advice and support

For more advice about holiday for irregular hours workers and part-year workers you can:

- · read about holiday pay and entitlement reforms on GOV.UK
- contact the Acas helpline

You can also find advice for all workers on:

- · asking for and taking holiday
- bank holidays and Christmas