

# Casual Workers Holiday Pay Guidance (all schools)

**Signed:**

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## Casual Workers Holiday Pay Guidance (all schools)

The Employment Rights (Amendment, Revocation and Transitional Provision) Regulations 2023 clarified the holiday entitlement calculation for ‘Irregular Hours Workers’ and enables employers to pay via a rolled-up holiday pay method which simplifies both the claim submission process as well as the payroll process.

### When is this legislation effective from?

It is effective from all casual hours worked on or after 1st April 2024.

### Which staff group does this legislation affect?

Based on this legislation, Collective Vision Trust has identified that casual workers are classed as ‘Irregular Hours Workers’. Casual holiday pay is paid only for casual worker posts only. No casual holiday is payable in respect of additional hours worked in a contractual hours post.

### What is the holiday pay percentage paid?

A casual worker will be paid holiday pay at a percentage in accordance with the statutory accrual rate for every hour that they work at their hourly rate of pay in the month that their claim is paid. This statutory accrual rate is currently 12.07%.

### When will a casual worker be paid Holiday Pay?

A casual worker will be paid holiday pay automatically in the same month that their claim is paid, based on the hours that they have worked in the month. An individual school is responsible for providing the details of casual hours worked to their payroll provider in order for both the casual hours and holiday pay to be calculated and paid.

### What is the calculation for holiday pay?

The calculation for holiday pay is:

Number of hours worked            x            12.07% percent holiday pay            =            number of hours holiday pay to be paid

Legislation details that where the amount of annual leave that has accrued includes a fraction of an hour, the fraction is to be treated as zero if it is less than 30 minutes and one hour if it is 30 minutes or more than 30 minutes. Examples of this are below:-

Hours Worked	Holiday Pay Calculation	Number of Holiday Hours	Rounded up or down	Number of Holiday Hours on payslip
10 Hours	10 Hrs x 12.07%	1.20	Rounded down	1
22.2 Hours	22.2 Hrs x 12.07%	2.68	Rounded up	3
30 Hours	30 Hrs x 12.07%	3.62	Rounded up	4

### Will holiday pay show as a separate item on a payslip?

Yes, Holiday pay will show as a separate item on a worker’s payslip.

### What legislation does casual holiday pay relate to?

The Employment Rights (Amendment, Revocation and Transitional Provision) Regulations 2023 were introduced in January 2024 and effective from 1st April 2024. The legislation clarified the holiday entitlement calculation for ‘Irregular Hours Workers’.

Based on the legislation definition below, Collective Vision Trust have determined ‘Irregular Hours Workers’ as casual workers.

The legislation regulations states: -

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- a worker is an irregular hours worker, in relation to a leave year, if the number of paid hours that they will work in each pay period during the term of their contract in that year is, under the terms of their contract, wholly or mostly variable;
- a worker is a part-year worker, in relation to a leave year, if, under the terms of their contract, they are required to work only part of that year and there are periods within that year (during the term of the contract) of at least a week which they are not required to work and for which they are not paid.