

**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE**

**Monday, 16 October 2023**

**Report of the Director of Organisation Resilience, People and  
Communications**

**Holiday Entitlement and Pay**

**1. Purpose**

- 1.1 To seek approval to increase paid leave for term time workers in line with the current interpretation of legislation and to update the Council's Normal Holiday Pay Framework to ensure that it remains a viable solution to calculate additional holiday pay entitlement.

**2. Information and Analysis**

- 2.1 On 20 July 2022, the Supreme Court handed down its judgement on Harpur Trust v Brazel. The judgement held that the correct interpretation of the Working Time Regulations 1998 is that holiday entitlement for part-year workers should not be pro-rated so that it is proportionate to the amount of work that they actually perform each year. Part-year workers are entitled to at least 5.6 weeks of statutory annual leave calculated using a holiday entitlement reference period to determine their average weekly pay, ignoring any weeks in which they did not work.
- 2.2 As a result of this judgement, part-year workers are now entitled to a larger holiday entitlement than part-time workers who work the same total number of hours across the year.

- 2.3 On 9 September 2022, the Council received a letter from GMB in response to the Supreme Court Judgement. GMB have sought confirmation from the Council that it has implemented the model of calculation as set out in part 4.12 of the Green Book to ensure term time only employees receive a minimum 5.6 weeks paid annual leave.
- 2.4 In addition, the government launched a consultation in early 2023 into the disparity between part year workers who are entitled to a larger holiday entitlement than part time workers, working the same total number of hours across the year. The government proposal is to introduce a 52-week reference period that includes weeks with no remuneration. This contrasts the current position where any weeks in the 52-week reference period when no remuneration is earned are ignored for the purposes of the calculation. We are awaiting the outcome to the consultation however in the meantime the interpretation of the legislation remains the method in which we should calculate holiday pay entitlement.
- 2.5 **38 Week Worker Analysis**  
Following the Supreme Court judgement, the Council has reviewed the existing paid annual leave entitlement and methodology for calculating payment days for term time employees. Payment days are the total number of days a term time employee receives payment for inclusive of working weeks, annual leave and bank holidays as a proportion of available working weeks within the year. Although the Council's method of calculation is not the same as the method outlined within the Green Book terms and conditions, it does follow the same principles in that it calculates leave based on a proportion of available working weeks.
- 2.6 The Green Book advises that term time employees' pay should incorporate their leave entitlement which is calculated by working out how many days leave they accrue based on how many weeks they work per year. This entitlement to annual leave is then added on to the actual number of days they work per year and expressed as a percentage of days worked (plus annual leave entitlement) over all year-round paid days. The Council calculates annual leave and bank holiday entitlement by multiplying the employees overall contractual entitlement by the weeks worked per year and then dividing this by the maximum weeks worked per year, depending on the amount of service held by the employee. This calculates their leave entitlement based on the proportion of available working weeks.
- 2.7 The Local Government Association have provided advice to Councils that annual leave entitlement for term time only (TTO) only employees

can be pro-rated, so long as that there is a minimum of 5.6 weeks holiday paid.

- 2.8 The Council has a wide range of payment days to reflect different working arrangements of employees who work a reduced number of weeks, reflecting the different annual leave entitlements based on pay grade and length of service. From all the different payment days relevant to the weeks worked applied by the Council departments and Schools, only employees who work 38 weeks per year with under 5 years' service currently receive less than 5.6 weeks total paid leave entitlement. Advice from the Local Government Association (LGA) and practice being applied by other councils is to increase payment days to ensure employees receive a minimum of 5.6 weeks paid leave in line with the current interpretation of legislation.
- 2.9 There are currently 705 TTO employees who do not get paid 5.6 weeks' pay for holiday pay entitlement, 3 are employed centrally in departments and 702 employed in schools. Under the current interpretation of the legislation these employees require an additional 0.63 days' pay per year to increase the amount of paid leave to 5.6 weeks. This will take the payment days of 38-week workers with less than 5 years' service from 304.5 days per year to 305.2 days per year, see appendix 2. The anticipated additional cost to the Council is less than £60 per annum, however additional cost to Derbyshire School budgets is anticipated to be around £8k per annum including on-costs.
- 2.10 Employees who have been underpaid can claim back pay for a maximum of 2 years from the date of the claim. Once the payment days have been adjusted and paid in line with the current interpretation of the legislation, employees would have up to 3 months to submit a claim against the Council for an unlawful deduction of pay. Any claims submitted within the 3-month period following the pay adjustment would need to be considered and paid.
- 2.11 It is advised that eligible current employees who have been underpaid within the 3 months preceding the implemented date of the agreement will receive a backdated underpayment of wages for a period of two years. An alternative approach could be to make payments on request, however, should the Council receive queries from term time workers and process these manually on an individual basis it is anticipated the cost of administering the payments will outweigh the cost of processing the back pay proactively. In addition, this approach relies on employees requesting the payment within 3 months of the amendment to payment days to be eligible for back pay and therefore could lead to employee relations issues should some employees request payment after this

period and therefore, this risk is mitigated by proactively backdating the payments.

#### **2.12 Holiday Pay Framework**

Following the Supreme Court Judgement, the LGA recommended that Councils undertake an audit of their holiday payment arrangements. As part of this audit, the Council has reviewed its Normal Holiday Pay Framework (NHPF) to ensure the framework provides a fair method of payment for holiday pay, particularly focussing on the implications of part time, and term time workers.

- 2.13 The existing NHPF was consulted on and agreed with the Joint Trade Unions under a collective agreement in 2016. The holiday calculation provides a pro-rated payment of annual leave for additional pay elements based on 28 days (20 statutory leave days and 8 bank holiday days). The reference period for payment of holiday pay under the NHPF is based on the previous financial year's earnings. This approach was adopted to ensure the Council meets its legislative requirements to include in its holiday pay calculation a proportion of irregular payments such as overtime, standby allowances etc. The NHPF has been compared to the method of calculation outlined within the Employments Right Act (ERA) and in most cases the application of a 28-day payment calculation results in the framework being more favourable compared to a calculation under the ERA.
- 2.14 The NHPF provides a proportion of pay based on all enhancements on additional hours, overtime, pay for evening and weekend working, standby, sleep-in, recall and letting duty payments, and taxable travel time when attending work. See a copy of the NHPF Guidance at Appendix 3. Employees have the option to opt out of the holiday pay framework and have their entitlement calculated in accordance with the ERA however in the last 3 years HR Services have not received any opt out requests from employees.
- 2.15 All contractual and accrued leave up to 37 hours per week is paid separately through salary or accrued leave payments and is paid in line with the Working Time Regulations 1998, regulations 13, 13a and 16.
- 2.16 In the majority of cases, employees are better off under the NHPF than the calculation provided by the ERA. However, the outcome of the review has highlighted that amending the fraction used for prorating holiday pay from 10.7% to 12.07%, improves the benefits of the NHPF for term time workers, who on occasion may fall slightly below the payments due within the ERA.

- 2.17 Local Government guidance and proposals under the recent Holiday pay consultations suggest that for holiday pay employers should be using an accrual percentage of 12.07%. This is reflective of 28 days leave over 232 available working days (52 weeks per year – 5.6 non-working weeks = 46.4 actual working weeks x 5 days per week).
- 2.18 Calculations have been undertaken for a sample of employees to compare the NHPF to the ERA method of calculating holiday pay including both TTO and 52 weeks workers, see appendix 4 for the analysis.
- 2.19 Amending the NHPF to increase to a 12.07% payment calculation of eligible pay would, in the majority of cases, ensure that employees are better off under the NHPF than under the ERA method.
- 2.20 As the reference period for including eligible pay within the NHPF is different to the ERA method there may be occasions where payments are lower under the NHPF in the current year however holiday pay under the NHPF would increase in the following year. This is because the reference period in the NHPF looks at previous financial years earnings to calculate the current year entitlement, whereas the ERA calculation looks at the previous 12 months prior to when leave being taken on a rolling basis.
- 2.21 The total number of employees receiving payments under the NHPF in each year is around 4000. Updating the NHPF to increase to a 12.07% payment calculation of eligible pay would increase the cost of holiday pay by £0.088m including on-costs.
- 2.22 It is proposed to implement the changes to the NHPF backdated to 1 April 2023 following approval at the ACOS Committee, paid in November 2023 for current employees.
- 2.23 Following conclusion of the government consultation, it is intended that the Council consider configuring and automating payments in its payroll system in line with the ERA, moving away from the NHPF.

### **3. Consultation**

- 3.1 The Council has consulted with the Joint Trade Unions to outline the proposed amendments to 38-week workers' payment days to be compliant with the current interpretation of the legislation through the Council's Policy Forum. It is proposed that this change is applied permanently, as this is the entitlement employees should be receiving based on the current interpretation of the legislation until such time

should there be any further changes to legislation. The Joint Trade Unions are in agreement with this proposal.

- 3.2 In addition, Joint Trade Unions advocated throughout consultation that the Council should proactively pay back pay for a period of two years, in line with the legal requirements should employees submit a claim. The Council have considered this approach alongside proposals to make payments on request.
- 3.3 Following the initial views of the Joint Trade Unions to apply back pay for a period of two years, the Joint trade Unions wrote to the Council on 25<sup>th</sup> August 2023 to request back payment to August 2020 extending the period of back payment to three years. This was on the basis that, in their view, the Council should have implemented the change following the Supreme Court Judgement, the cost is relatively minimal, and this would be a boost for staff confidence and morale, reassuring them that they are not disadvantaged by the extended period of consultation. However, for the reasons outlined within the report it is recommended that back pay is paid proactively for two years preceding the date the change in payment days is applied for current employees.
- 3.4 The Council has also negotiated with the Joint Trade Unions on proposals to amend the calculation of the NHPF from 10.7% to 12.07%. Joint Trade Unions are advocating that the Council should pay holiday pay in line with the ERA on a rolling 52-week basis however noting the Council's longer-term intention to configure the payroll system to calculate payments on a rolling basis, are in agreement with the proposal to increase the percentage as outlined within the report.
- 3.5 As part of the consultation, the Joint Trade Unions have also indicated an intention to revisit the framework to increase the calculation from 28 days to align to an employee's contractual entitlement however given the Council's longer-term intention to configure the payroll system in line with outcomes to the consultation this suggestion has not been considered further at this point in time.
- 3.6 In addition, the Joint Trade Unions have indicated an intention to lobby the organisation to review current annual leave entitlements to harmonise entitlements removing current boundaries in relation to grade and increases relating to length of service. This point was noted during formal consultation discussions however not considered at this point in time.

#### **4. Alternative Options Considered**

- 4.1 The Council could consider not increasing the holiday entitlement for term time worker employee in line with the Supreme Court Judgement, pending the outcome of the government consultation. This approach is not recommended as it would not be compliant with the current interpretation of the legislation and could lead to unlawful deduction of wages claims from employees impacting negatively on employee relations.
- 4.2 In addition, the Council could choose to not update or amend the NHPF. However, as identified in the analysis, the risk of detriment is higher for term time workers compared with that of full-time workers. By not amending the framework, the Council risks term time employees opting out of the framework and manually processing a small proportion of the potential 435 term time worker holiday pay claims each year which would not be viable due to the complexity of the calculations and the significant administration time required to process these manually.

## **5. Implications**

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## **6. Background Papers**

- 6.1 None.

## **7. Appendices**

- 7.1 Appendix 1 – Implications.  
Appendix 2 - Payment days for 38-week workers with less than 5 years continuous service  
Appendix 3 - Current Normal Holiday Pay Framework (NHPF) Guidance  
Appendix 4 - Holiday payments under the current Normal Holiday Pay Framework (NHPF)  
Appendix 5 – Amended Normal Holiday Pay Framework Guidance April 2023  
Appendix 6 – Equality Impact Assessment

## **8. Recommendation(s)**

That Committee:

- 8.1 Approve increasing annual leave entitlement for 38-week workers as outlined within the report to 5.6 weeks per annum in line with the current interpretation of legislation and approves the proposals to pay backpay

for holiday entitlement not paid in the two years preceding the date of implementation.

- 8.2 Approves the amendment to the NHPF to increase the calculate of holiday pay to 12.07% on all eligible pay.

**9. Reasons for Recommendation(s)**

- 9.1 The approach outlined within the report in terms of increasing holiday entitlement for 38-week workers enables the Council to meet its legal requirements in line with the current interpretation of the legislation. In addition, increasing the calculation within the NHPF provides a robust method for the Council.
- 9.2 This would enable the Council to meet its legislative requirements regarding the payment of holiday pay.

**Report Author:**  
**Emma Ellis**  
**Scott Davis**  
**Lee Gregory**

**Contact details:**  
[emma.ellis@derbyshire.gov.uk](mailto:emma.ellis@derbyshire.gov.uk)  
[scott.davis@derbyshire.gov.uk](mailto:scott.davis@derbyshire.gov.uk)  
[lee.gregory@derbyshire.gov.uk](mailto:lee.gregory@derbyshire.gov.uk)



## **Appendix 1**

### **Implications**

#### **Financial**

- 1.1 The additional cost of meeting the required changes and 2 years back pay is around £0.024m including on-costs. This cost will predominately be met from school budgets but with an average cost per employee of around £34 it's not anticipated to impact significantly on individual schools.
- 1.2 The cost to making changes to the Normal Holiday Pay Framework is estimated at £0.088m with these costs falling predominately on council funded or traded services. It's anticipated that these costs will be met from existing budgets.

#### **Legal**

##### **2.1 38 week worker with under 5 years' service options**

Sections 13 to 27 of the Employment Rights Act 1996 set out provisions to protect workers from authorised deductions being made from wages. Wages is defined as "any sums payable to the worker in connection with his employment" and includes holiday pay.

The Deduction from Wages (Limitation) Regulations 2014 provide that with regard to unlawful deduction of wages claims brought on or after 1 July 2015, Employment Tribunals cannot consider more than 2 years before the date of the claim. This includes holiday pay claims. Employees are therefore, only able to claim back pay for any unpaid holiday pay up to a maximum of 2 years from the date of claim.

##### **2.2 Holiday Pay Framework**

The Harpur Trust v Brazel judgement given in July 2022 determined that the percentage method of calculating holiday pay entitlement was not accepted by the Supreme Court as complying with the requirements of the Working Time Regulations 1998. The Supreme Court determined that the appropriate method of calculating holiday pay entitlement is the calendar week method proposed by Ms Brazel. The Supreme Court determined that the 12.07% calculation does not comply with the wording of s. 224 of the Employment Rights Act 1996 for part year workers. For workers not working normal hours, the calculation should be based on a 52-week rolling average of a week's pay, ignoring weeks in which they received no remuneration. It is acknowledged, however, that undertaking individual calculations for each worker affected is an

administrative burden and a streamlined approach, adopting the most beneficial calculations for workers is unlikely to be challenged. As outlined above, there is a risk of an unlawful deduction of wages claim where a worker has not received the correct holiday pay entitlement. However, the risk of a claim is low and claims are limited to 2 years from the date the claim is filed.

## **Human Resources**

- 3.1 HR policy documents will be reviewed and updated to outline the changes to payment day calculations for 38-week workers with less than 5 years' service. The NHPF guidance will be updated to reflect the new calculation as outlined in appendix 5. This will ensure that the application of these changes are clear, limiting the risk of claims against the Council. All eligible employees have signed up to the existing NHPF for 2023/24 and received a payment based on the current calculation. Following agreement to the revised NHPF at the ACOS Committee all eligible employees will receive an increase in their NHPF entitlement in their November 2023 pay.
- 3.2 The recommended changes will be supported by the proposed high-level communications plan as outlined in appendix 5. This outlines how employees will be notified ahead of any changes to their pay conditions.

## **Information Technology**

- 4.1 None.

## **Equalities Impact**

- 5.1 The Council has undertaken an equality impact assessment (Appendix 6) of the proposed change to holiday pay calculations. 97% of the 38-week workers across Schools and the Council who may benefit by the proposed change to holiday pay calculations are female employees ranging within grades 1/2 to grade 9. This is higher than the overall Council workforce gender balance which is approximately 80% female to 20% male. This would have a small but positive impact on the Councils gender pay gap where many of the lower paid part time jobs are filled by females.

## **Corporate objectives and priorities for change**

- 6.1 This proposal aligns with the people priorities outlined within the Councils People Strategy and in particular to 'Promote diversity and

inclusion, enable responsive workforce plans and develop credible reward strategies' by applying pay agreement in a fair, consistent and compliant manner.

**Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

7.1 None.

## Appendix 2 – Payment days for 38-week workers with less than 5 years continuous service

The below table shows the current payment day totals and the proposed payment day calculation and total. In red are the proposed changes to reflect changes as a result of the Brazel supreme court judgement.

### Grade 1 - 9 Under 5 Years continuous service

Number of Weeks	<b>38</b>
Leave entitlement	6.6
Number of working weeks in a year	45.54

Weeks Worked	38
Bank Holidays	1.34
Annual Leave	4.17
Total number of weeks	43.51
Holiday Pay (Brazel uplift)	0.63
<b>Payment Days</b>	<b>305.20</b>
<b>Current Payment Days</b>	<b>304.50</b>

### **Appendix 3 - Current Normal Holiday Pay Framework Guidance**

The agreement provides for all elements of regular pay over and above basic pay to be taken into account in calculating your holiday pay entitlement. This includes the following:-

- All overtime (including guaranteed, contractual and voluntary);
- All enhancements received in relation to unsocial evening, weekend and bank holiday working;
- Standby and Sleep in duty allowances (including rostered Standby and Sleep in duty allowances not undertaken due to you being on annual leave).
- Minimum recall to work allowances and letting payments;
- All travel time (not expenses) paid from home to first duty and from last duty home.

The existing annual leave arrangements in respect of payment of normal contract hours, any accrued hours payments for additional working up to full-time equivalent (37 hours per week), together with any overall allowance, tool allowance and first aid allowance payments made whilst on leave will continue in accordance with existing arrangements and are, therefore, excluded from the terms and provisions detailed above. All additional hours worked over contracted hours up to full time equivalent (37 hours in any week) are excluded from the calculation on the basis that these will continue to be paid in accordance with existing accrued annual leave provisions.

The framework applies to your statutory leave entitlement which equates to 28 days for full time employees. This comprises 20 days annual leave (derived from Regulation 12 of the Working Time Regulations) plus an additional 8 bank holidays. This allowance is prorated for those who do not work full time. Please note that contractual annual leave entitlement remains unchanged.

The additional annual leave value of those elements of regular pay over and above basic pay detailed will be calculated for the current year on the basis of your actual earnings for the previous year, so for 2023/2024 the calculation is based on all relevant actual earnings for 2022/2023.

#### **The calculation formula is set out below;**

##### Step 1

28 days (Statutory annual leave and bank holiday entitlement) / 261 (Number of available working days in a year) = 10.7%

##### Step 2

Pro rata eligible pay in 2022/2023 x 10.7% = Total Additional Normal Holiday Pay due

### **Timing of the Payments**

Where the annual value of additional normal holiday pay is over £25, payments will be made monthly in 12 equal instalments. The first payment made in June 2024 will include 3 payments for the period 01 April to 30 June 2024 then monthly thereafter for the remainder of the year up to and including your March 2024 pay.

Any annual payments of £25 or less will be paid in one payment in June 2023 pay.

If the employee started during the period 01 April 2022 to 31 March 2023 payments will be calculated on the basis of the gross earnings during the part of the year they worked but will be factored up to calculate a representative full years entitlement. The retrospective payment will be pro-rated to the part year actually worked.

A schedule setting out the annual calculation will be sent to you every year prior to commencement of the payments.

### **Opting out of the Framework**

If the employee choose to opt out of the framework they may elect for their payment to be made based on the statutory formula contained within the Employment Rights Act 1996, however, this may be lower than the amount payable under the framework. For employees with no normal working hours holiday pay would be calculated on all relevant earnings in the 52-week period paid immediately prior to the leave actually being taken. These arrangements would apply to the first 20 days annual leave taken in the year, as this is what is provided under the statutory provisions.

If you chose to opt for the rolling 52-week calculation then your holiday pay will be based on the first 20 days leave taken in 2022/2023 (pro rata for part time employees). The option chosen will apply for the complete leave year and opportunity to change their preference will not occur until notification of next year's normal annual holiday pay value, which it is intended will take place after the May pay day each year.

If they do not provide written notification of their intention to opt out of the scheme by Friday 02 June 2023 we will assume that they are happy to proceed on the basis of the annual calculation paid as set out in the accompanying letter.

#### Appendix 4 - Holiday payments under the current Normal Holiday Pay Framework (NHPF)

The table below shows the difference in holiday payments under the current Normal Holiday Pay Framework (NHPF) vs the level of holiday pay they would likely be paid in line with the EU legislation, and the level of pay under the proposed method of calculation under an amended NHPF.

Job title	Grade	Contractual Hours	Weeks per year	DCC HPF Calculation	EU Regulation payment	% difference DCC vs EU	Proposed Method	% difference Proposal vs EU
Deputy Unit Manager	12	37	52	187.53	112.62	66.52%	211.55	87.84%
Head of Highways Construction	15	37	52	129.78	91.87	41.26%	146.4	59.36%
Team Leader	9	37	52	78.97	57.24	37.96%	89.09	55.64%
Group Manager	15	18.5	52	13.43	9.7	38.45%	15.13	55.98%
Communications Manager	10	37	39	21.24	17.62	20.54%	23.96	35.98%
Teaching Assistant	7	37	39	27.77	26.05	6.60%	31.33	20.27%
Catering Supervisor	5	37	38	5.85	6.29	-7.00%	6.6	4.93%
Catering Supervisor	5	37	38	7.58	20.34	-62.73%	8.55	-57.96%
Cleaner	3	30	39	2.03	2.04	-0.49%	2.29	12.25%
Catering Supervisor	5	35	38	4.7	1.56	201.28%	5.3	239.74%
Catering Supervisor	5	35.5	38	3.3	2.18	51.38%	3.72	70.64%
Catering Supervisor	5	35	38	3.14	1.76	78.41%	3.55	101.70%
School Crossing Patrol	7	26	38	0.84	0.17	394.12%	0.95	458.82%

## **Appendix 5 – Amended Normal Holiday Pay Framework Guidance April 2023**

The agreement provides for all elements of regular pay over and above basic pay to be taken into account in calculating your holiday pay entitlement. This includes the following:-

- All overtime (including guaranteed, contractual and voluntary);
- All enhancements received in relation to unsocial evening, weekend and bank holiday working;
- Standby and Sleep in duty allowances (including rostered Standby and Sleep in duty allowances not undertaken due to you being on annual leave).
- Minimum recall to work allowances and letting payments;
- All travel time (not expenses) paid from home to first duty and from last duty home.

The existing annual leave arrangements in respect of payment of normal contract hours, any accrued hours payments for additional working up to full-time equivalent (37 hours per week), together with any overall allowance, tool allowance and first aid allowance payments made whilst on leave will continue in accordance with existing arrangements and are, therefore, excluded from the terms and provisions detailed above. All additional hours worked over contracted hours up to full time equivalent (37 hours in any week) are excluded from the calculation on the basis that these will continue to be paid in accordance with existing accrued annual leave provisions.

The framework applies to your statutory leave entitlement which equates to 28 days for full time employees. This comprises 20 days annual leave (derived from Regulation 12 of the Working Time Regulations) plus an additional 8 bank holidays. This allowance is prorated for those who do not work full time. Please note that contractual annual leave entitlement remains unchanged.

The additional annual leave value of those elements of regular pay over and above basic pay detailed will be calculated for the current year on the basis of your actual earnings for the previous year, so for 2023/2024 the calculation is based on all relevant actual earnings for 2022/2023.



**The calculation formula is set out below;**

Step 1

28 days (Statutory annual leave and bank holiday entitlement) / 232 (Number of available working days in a year (52 x 5, -28)) = 12.07%

Step 2

Pro rata eligible pay in 2022/2023 x 12.07% = Total Additional Normal Holiday Pay due

**Timing of the Payments**

The revised NHPF calculations and backdated payments will be calculated in and paid from November 2023 for current employees. Where the existing annual value of additional normal holiday pay is over £25, the revised payments will be made monthly instalments up to and including March 2024 pay. The backdated payment for the period 1 April to 30 October 2024 being applied in the November 2023 payment.

Any annual payments of £25 or less will be paid in one payment in November 2023 pay.

**Proposed employee communications**

Subject to ACOS approval:

All employees who are due to receive an amended NHPF pay adjustment will be written to notify them outcome of the holiday pay framework review. This will confirm that their NHPF agreement applies for 2023/24 under the revised framework agreed through consultations with the joint trade unions. Their letters will confirm the revised payment day calculations confirming their updated payment arrangements from November 2023.

Term time employees who have been working 38 weeks per year with under 5 years' service within the 3 months preceding the implemented change will be written to in November 2023. This outlines the reason why the Council has revised its payment day calculation and how holiday pay is calculated applying the additional holiday payment top up.

Employees will be notified that their revised payment days will be applied from November 2023 confirming the backdated pay arrangements as outlined within the report. Employees will be notified that there is a government consultation ongoing to review the holiday pay for part year and part time workers. Should there be any future changes made to holiday pay legislation or guidance, the Council would review its own holiday pay calculations again.