

# **HOLIDAY PAY CHANGES 2025 - TERM-TIME & PART YEAR WORKERS**

## **FREQUENTLY ASKED QUESTIONS**

**The following FAQ document has been created to assist Single Status term-time and part-year employees with queries resulting from holiday pay changes due to be implemented on 1 January 2025.**

### **Why have I received a letter about a change in holiday pay?**

Currently your annual leave is **not** pro-rated to reflect the number of weeks you work. This method of calculation has been in force since 1 January 2023 due to the Harpur Trust vs Brazel Supreme Court Judgement. This ruling has now been overridden by new UK legislation whereby annual leave should now be calculated based on the actual number of weeks worked.

### **Why did you increase my holiday pay calculation in 2023 when UK Government issued a consultation paper in mid-January 2023 proposing a change which could overturn the Harpur Trust vs Brazel outcome?**

Following the outcome of the Harpur Trust vs Brazel Supreme Court Judgement in July 2022, Perth & Kinross Council were committed to applying the calculation resulting from this decision to staffing groups who fell within scope from the start of the first leave year following the decision i.e. 1 January 2023. We were the only Council in Scotland to make the adjustments to holiday pay at that time. When the UK consultation was issued we had already begun processing this change. Further, it was not clear that the UK Government consultation would overturn this legal decision and if it did in what timescale. We therefore continued to implement to ensure that we were compliant with the law i.e. Supreme Court decision from July 2022.

### **Why am I going to be paid less when I am doing the same hours and work?**

You are still being paid for the correct hourly rate for the contracted hours you work and this is not changing. What is changing is how your holiday pay is calculated.

The UK Government have overturned the Harpur Trust v Brazel Supreme Court Judgement as this resulted in term-time and part-year workers receiving the same annual leave entitlement as full year workers as opposed to pro-rating leave entitlement according to the number of weeks actually worked.

Effectively since January 2023 a higher level of pay has been paid due to the Harpur Trust Supreme Court Judgement, but under the new holiday pay regulations, the method of calculation will be changing to that which accurately reflects the number of weeks you work and was in place prior to this Supreme Court decision.

### **Why are there two different calculations from 1 January 2025 quoted in the letter and example?**

Under the new Regulations we will be reverting to pro-rating the 28 days statutory leave calculation. In terms of contractual leave (balance of leave over and above the 28 days statutory leave) we are continuing discussions with the recognised SJC Trade Unions with a view to seeking agreement to this aspect of the calculation. The Trade unions are consulting their members on proposals. Until the discussions are concluded we are unable to confirm how contractual leave will be calculated. On that basis the two calculations are:

- Pro-rate all leave (calculation reverting to that which applied pre 01.01.23 (pre Harpur Trust))
- Pro-rate statutory leave from 1 January 2025 but no pro-rating of contractual leave

### **The examples provided with the covering letter differs from the contracted hours I work. How can I work out what the financial impact will be for my own set of circumstances?**

The examples set out the principle of the calculations to allow you to put your own personal details into calculate what this means for you. Unfortunately it is not operationally feasible to provide a calculation for each individual impacted by this change. We have however created a [Calculator](#) on the Employment Information Page “Annual Leave Calculator Term Time & Part Year Employees” to assist you. Please note, the results are dependent on you populating the correct information into the key fields.

### **I am not a part-time employee so why I have received a letter?**

Anyone who works less than 52.14 weeks has received a letter irrespective of weekly contracted hours.