

April to March Leave Year? Make plans for 2018 now

In the know

Employers who operate April to March leave years can find that the moveable dates of the Easter Bank Holidays each year cause an extra headache when ensuring that all workers receive the correct amount of annual leave. Why do the Easter Bank Holidays create this problem? Here, we explain why.

Annual leave entitlement and bank holidays

- There are usually 8 Bank Holidays in England and Wales in a calendar year; 9 in Scotland and 10 in Northern Ireland. Employers can include Bank Holidays within the minimum 5.6 week annual leave entitlement required by the Working Time Regulations 1998;
- Usually this does not pose a problem in terms of calculating entitlement where the leave year is January to December. However, April to March leave years are not the quite the same.

Easter Bank Holidays vary each year

- The interaction of the Egyptian and Hebrew calendars means that Easter can fall between late March and mid April;
- This flexibility is what causes extra considerations – and potential breaches of the law – for employers to operate April to March leave years;
- The result of a moveable Easter is that, in one year, the Easter Bank Holidays can fall in April and then in the next year, fall in March. Employers who run April to March leave years can therefore end up with 2 Easters and 2 sets of Bank Holidays in the same leave year, resulting in 10 Bank Holidays in the leave year. Where a contract states that employees will get, for example, 20 days plus all Bank Holidays, this leaves an employer contractually bound to giving 10 Bank Holidays in that year in addition to the 4 week entitlement;
- Other April to March leave years could contain no Easters, leaving only 6 Bank Holidays falling within the leave year. This would mean that employers would not be meeting the statutory minimum requirements;

- In 2018, Good Friday (30th March) will fall into the 2017/2018 leave year, meaning that there are 9 Bank Holidays in that leave year; one more than the usual 8 days that employers would normally account for. Easter Monday (2nd April) falls into the 2018/2019 leave year;
- In 2019, both Good Friday and Easter Monday will fall into the 2019/2020 leave year. This leaves employees with only 7 Bank Holidays in the 2018/2019 leave year. Where contracts provide for 4 weeks plus Bank Holidays, this will leave employees short of the legal minimum.

How to achieve compliance

- In 'lean' years (less than 8 Bank Holidays), employers must top up overall entitlement to at least 5.6 weeks (e.g. 28 days for a 5 day week worker);
- In 'fat' years (more than 8 Bank Holidays), employers must look at their contracts to see whether the extra can be subsumed into overall entitlement or the extra days must be honoured.

Croner Tips

It is always best to build in contractual flexibility to help manage anomalies that can occur with extra Bank Holidays, for example, when an extra one is provided for a Royal Wedding.

The content of this briefing is correct at the time of publishing.

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