

Buying and Selling Holiday Policy

The Foundry at Victoria Hall, Sheffield, S1 2JB.

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1 Introduction

- 1.1 This policy sets out the organisation's rules in relation to buying and selling annual leave remembering it is important that you take regular holidays for your wellbeing and to take some time away from work.
- 1.2 This policy does not form part of your contract of employment, and we reserve the right to amend or withdraw it at any time.

2 Scope

- 2.1 This policy applies to employees employed by us. It does not apply to workers, contractors, consultants or any self-employed individuals working for the organisation.

3 Your entitlement

- 3.1 We encourage you to take your full entitlement and to spread out your holiday throughout the year.
- 3.2 However, we recognise that some employees may wish to take longer or shorter periods of holidays and for this reason we operate a policy of allowing all employees to buy or sell some holiday entitlement, subject to certain conditions.

4 Conditions for buying or selling holiday

- 4.1 The conditions for employees to buy or sell holiday are as follows:
- 4.1.1 The holiday year runs from January to December, unless your contract provides otherwise.
- 4.1.2 The maximum amount of additional leave that you may buy in any one holiday year is 1 week.
- 4.1.3 The maximum amount of annual leave that you may sell in any one holiday year is 1 week.
- 4.1.4 You are not entitled to sell holiday if this results in you being entitled to less than the statutory minimum annual holiday provided for in the Working Time Regulations 1998.
- 4.1.5 If you wish to buy or sell some of your holiday you must apply in writing to your Line Manager.
- 4.1.6 Applications for buying or selling holiday for the next holiday year must be received no later than two months before the end of the current holiday year.
- 4.1.7 Applications for buying or selling holiday for the current holiday year will be considered on a case-by-case basis and only if sufficient cover is in place and no disruption to our business.
- 4.1.8 We reserve the right to refuse an application to buy or sell holiday. This may be necessary for operational or technical reasons but we do not need to provide you with a detailed reason.
- 4.1.9 Where an application has been received and approved, you will be notified in writing together with details in relation to any adjustments in your pay and confirmation of when the change will take effect. You will then be given one week to confirm in writing that you wish to proceed. If we do not hear from you, your application will be cancelled.
- 4.1.10 Any additional holiday leave granted under this scheme must be taken within the holiday year in respect of which the application was made. If, having bought additional holiday, you fail to take it or fail to take any of your other annual leave before the end of the relevant holiday year, the leave will be lost. In such circumstances, no compensatory payment or salary adjustment will be made.

5 Adjustments to pay

- 5.1 The cost of buying or selling holiday will be calculated and notified to you after your application has been approved. If you are paid monthly, the cost for buying holiday will be calculated by:
- 5.1.1 dividing your annual salary by 52 to determine your weekly pay;

- 5.1.2 multiplying this figure by the number of weeks you wish to buy;
- 5.1.3 dividing this figure by the remaining number of months in the holiday year to arrive at the amount that will be deducted from your monthly salary;
- 5.1.4 subtracting that figure from your normal monthly salary; and
- 5.1.5 applying the new monthly pay from the agreed date through to the end of that holiday year.

5.2 The calculation for selling holiday is the same except that monthly pay will increase rather than reduce.

5.3 For example, if your annual salary is £24,000 and you apply before the start of the holiday year to buy two weeks' extra holiday entitlement, the cost will be calculated by:

- 5.3.1 dividing your annual salary of £24,000 by 52, resulting in a weekly payment of £461.54;
- 5.3.2 multiplying £461.54 by two, giving a sum of £923.08;
- 5.3.3 dividing this figure by 12 to arrive at the amount that will be deducted from your monthly salary, producing a figure of £76.92; and
- 5.3.4 subtracting £76.92 from your "normal" monthly salary, i.e. £2,000-£76.92, which gives a new monthly salary for the year of £1,923.08.

5.4 If, in this example, you had applied to buy the extra two weeks' holiday three months into the holiday year, this would mean that there would be only nine months of the year left over which to average the reduction in pay. In this case, the calculation would be arrived at by:

- 5.4.1 dividing your annual salary of £24,000 by 52, resulting in a weekly payment of £461.54;
- 5.4.2 multiplying £461.54 by two, giving a sum of £923.08;
- 5.4.3 dividing this figure by nine to arrive at the amount that will be deducted from your monthly salary, producing a figure of £102.56; and
- 5.4.4 subtracting £102.56 from your "normal" monthly salary, ie £2,000-£102.86, which gives a new monthly salary for the remaining nine months of the year of £1,897.44.

6 Review

6.1 This policy may be reviewed at any time at the request of any member of staff, but it will be automatically reviewed two years after initial approval and thereafter on a biennial basis unless organisational changes, legislations, guidance, or non-compliance prompt an earlier review.

7 Definitions

- 7.1 The Foundry ("we", "us", "our")
- 7.2 The Employee ("you", "your")

Document control box

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