



UK Government

Make Work Pay

Holiday Pay Compliance and Enforcement

30 June 2026

Closing Date: 22 September 2026

Foreword

Paid holiday or annual leave is a long-established and fundamental employment right. It supports workers' health and wellbeing, helps people balance work with family life, and contributes to a productive and resilient workforce. Most employers do the right thing and make every effort to comply with the law. However, where workers are not provided holiday entitlement and holiday pay, this can leave individuals out of pocket, undercut responsible businesses, and undermine confidence in the labour market.

The world of work has changed significantly in recent years. New and evolving ways of working have brought flexibility and opportunity, but they have also added complexity to the way employment rights operate in practice. In some cases, this complexity has made it harder for workers to understand and enforce their entitlement, and harder for employers to be confident that they are applying the rules correctly.

This consultation seeks views on the government's proposed approach to holiday pay compliance and enforcement by the Fair Work Agency from 2027. For the first time, the right to holiday pay will be backed by state enforcement with the Fair Work Agency promoting compliance, investigating non-compliance and taking action where employers fail to meet their obligations. State enforcement is intended to complement the Employment Tribunal system and provide an accessible, timely and effective route to resolution.

We want to build a compliance and enforcement framework that is fair, proportionate and effective for both workers and employers. The proposals set out in this document focus on supporting businesses to comply with the law wherever possible and taking firmer action only where necessary. We are also consulting on a number of important design features, including how compliance and enforcement should be targeted, how far back the Fair Work Agency can enforce claims, and how penalties should be set.

We know holiday pay can be difficult to navigate, even for well-intentioned employers. Clear guidance and practical support will be essential to the success of the holiday pay compliance and enforcement regime. This consultation provides an opportunity to consider what information, tools and support the Fair Work Agency could provide to help support holiday pay compliance across different sectors and business sizes.

We encourage employers, workers, representative bodies and other interested parties to take part and share their views. Your insights will help ensure that compliance and enforcement work effectively in practice, support responsible employers, and give workers confidence that their rights will be upheld.

By engaging openly and constructively, we can help put this important right on a stronger footing and contribute towards building a fairer, more secure labour market for the future.



The Rt Hon Peter Kyle MP

*Secretary of State for Business and Trade
President of the Board of Trade*

A handwritten signature in blue ink that reads "Peter Kyle".



Kate Dearden MP

*Minister for Employment Rights and
Consumer Protection*

A handwritten signature in blue ink that reads "Kate Dearden".

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Introduction

Our Plan to Make Work Pay

This Government's top priority is to grow the economy and improve living standards. We are clear that you cannot build a strong economy whilst having people in insecure work. For too long employment law has failed to keep pace with fundamental changes to how, when and where we work. This has allowed bad actors to take advantage of loopholes in the current law via exploitative practices, fuelling a race to the bottom, undercutting responsible businesses, and eroding the living standards of working people. We are clear that unfair competition, where a bad employer undercuts a good employer by reducing the terms and conditions of service for their employees, is bad for business, bad for workers and bad for growth.

Our Plan to Make Work Pay has modernised our employment rights legislation through the Employment Rights Act 2025 (the Act) which extends the employment protections already given by the best British companies to millions more workers across the country. Strengthening this underlying framework will make work more secure and predictable, putting more money into working people's pockets and strengthening the foundations that underpin a modern economy. It will also offer dignity to those going through the toughest personal circumstances, support working families to juggle the demands of work and raising children and help more working parents to stay in the workplace. This is a win-win. Policies that improve workforce wellbeing and job satisfaction also improve retention, boost productivity, and promote fair competition and economic growth.

The government is committed to full and comprehensive consultation with employers, workers, trade unions and civil society. By delivering this generational change together, we will back employers who do the right thing and ensure that hardworking people receive their entitlement.

What this document is consulting on

This consultation document seeks views on the government's proposed approach to upholding compliance with statutory holiday pay entitlement. The statutory right to holiday pay will be enforced from 2027 by the new Fair Work Agency (the FWA).

The government proposes that holiday pay compliance and enforcement will be highly supportive with an emphasis on helping businesses to comply with the law and only taking punitive enforcement action where necessary. This means the FWA would carry out a mix of compliance and enforcement activities including promoting compliance through tools and engagement, to more hard-edged enforcement actions such as investigations and issuing penalties.

The government's approach is to support employers to comply with the law and their obligations, and to ensure that workers understand and can access their holiday pay

rights. We want to hear from you what specific support or guidance you would find useful to understand how compliance and enforcement will work.

Alongside the general approach to compliance and enforcement, we are also seeking views on some of the enforcement settings. This includes how far back the FWA could look when investigating a holiday pay claim, and the penalty settings for the civil penalties, and targeting enforcement.

The government proposes that the FWA would investigate holiday pay claims up to six years in the past which is the default claim period in the Act and aligns with the six-year period for which employers must keep holiday pay records.

The government proposes that the civil penalty settings for holiday pay enforcement be the same as the penalty settings for current enforcement of the minimum wage by the FWA. This is a penalty of 200% of arrears owed to workers, a maximum penalty of £20,000 per worker and a minimum penalty of £100.

One of the intentions of state enforcement of holiday pay is to support lower-income workers and workers in more vulnerable or precarious employment. We want to hear your views on how the FWA could target compliance and enforcement interventions to best support lower-paid workers and workers in more vulnerable or precarious employment.

We know in some circumstances holiday pay can be complex. That is why in 2024 steps were taken to simplify the entitlement for people on irregular hours or in part year work by introducing so-called “rolled-up” holiday pay. We want to hear views on current practices around rolled-up holiday pay to help build an evidence base on how, and to what extent, rolled-up holiday pay is being used in practice.

What this document is not consulting on

This document is **not** consulting on changes to how a holiday pay and holiday entitlement are enforced through the Employment Tribunal.

This document is also **not** consulting on changes to the holiday pay policy as set out in the Working Time Regulations 1998 and Employment Rights Act 1996. This means we are **not** consulting on things like:

- Changes to how holiday pay is calculated.
- How much holiday entitlement a worker is entitled to.
- What is included when calculating holiday pay.

Why we are consulting now

The government is consulting now to gather feedback on the way we are proposing holiday pay compliance and enforcement will operate.

The government is committed to working in partnership with employers to make sure that businesses of all sizes have time to prepare for when the FWA starts enforcing holiday pay in 2027. Businesses will not be expected to make changes overnight and guidance on how to comply with FWA enforcement will be published to help them understand their duties and obligations.

Your insights are vital and we want to make sure that everyone has the opportunity to provide their views so that holiday pay compliance and enforcement is effective and works well for everyone.

We encourage all respondents to answer as many consultation questions as they feel comfortable answering. Please respond to any questions that are relevant to you or where you have views to share. No questions are mandatory, and you are welcome to refrain from answering where you prefer not to do so. For example, you may prefer not to respond to questions specific to employers if you do not think they are relevant to you. Not responding to some questions will not in any way affect how your other responses are considered.

To help you understand some of the more technical language in this consultation, we have included a [Glossary](#) at the end of this document to explain terms that not everyone may be familiar with. We encourage you to review this to familiarise yourself with the language used to avoid any possible confusion with what you are being asked.

Consultation Details

Issued: 30 June 2026

Respond by: 11:59pm, 22 September 2026

Enquiries to: holidaypay.enforcement.consultation@businessandtrade.gov.uk

Write to:

Pay Rights Enforcement Team
Employment Rights Directorate

Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

Consultation reference: Make Work Pay: Holiday Pay Compliance and Enforcement

Territorial extent: The powers in the Act to enforce statutory holiday pay extend and apply only to England & Wales and Scotland. Employment law is devolved in Northern Ireland.

How to Respond

Respond online at:

https://ditresearch.eu.qualtrics.com/jfe/form/SV_3qQjV0FefhvFMzA

Email to: holidaypay.enforcement.consultation@businessandtrade.gov.uk

or

Write to:

Pay Rights Enforcement Team
Employment Rights Directorate

Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

We strongly encourage you to respond via the online platform. Using the online survey will assist our analysis of the responses, enabling more efficient and effective consideration of the issues raised.

If you are responding via email or in writing, please make it clear which question or paragraph number each comment relates to.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Confidentiality and data protection

Any information you provide in response to this consultation, including personal information, may be disclosed in accordance with United Kingdom (UK) legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We are trialling artificial intelligence (AI) solutions to support the delivery of our functions. Unless made expressly clear to you, we will not solely use AI to either make or inform decisions about you. We will apply effective data minimisation techniques to all such uses of your data.

Your responses, including any personal data, may be shared with a third-party provider, or other government department or organisation acting on behalf of the Department for Business and Trade under contract or an equivalent agreement, for the purpose of analysis and summarising responses for us and they may use technology, such as AI. Further detail on how AI is used, including its scope and safeguards and third-party sharing is available in DBT's Privacy Notice.

An anonymised version of responses in a list or summary of responses received, and in any subsequent review reports may be published. We may also share your personal data where required to by law. You can leave out personal information from your response entirely if you would prefer to do so.

Wherever possible please avoid including any additional personal data in free-text responses beyond that which has been requested or which you consider is necessary for DBT to be aware of.

We will process your personal data in accordance with all applicable data protection laws. See our privacy policy on this website:

<https://www.gov.uk/government/organisations/department-for-business-and-trade/about/personal-information-charter>.

We will publish the government response to this consultation on GOV.UK.

Quality assurance

This consultation has been carried out in accordance with the government's [consultation principles](#). If you have any complaints about the way this consultation has been conducted, please email:

enquiries@businessandtrade.gov.uk

About you

Please provide the following information to help us understand the context of your response:

Question 1: Please indicate whether you are responding as:

- An individual
- An employer
- A legal representative
- A business representative organisation (please specify)
- A trade union or staff association (please specify)
- A charity or interest group
- An academic, or on behalf of an academic or research organisation
- Other – please specify [free text]

Question 2: You selected that you are responding as an individual, are you (select all that apply):

- An individual working directly for an employer
- An agency worker, paid by an agency
- An agency worker, paid through an umbrella company – meaning a payroll provider which is different from the agency
- A self-employed or freelance individual
- Other – please specify [free text]

Question 3: You selected that you are responding as an employer, are you (select all that apply):

- A direct employer
- A hirer of agency workers
- An agency
- An umbrella company
- Other – please specify [free text]

Question 4: If responding as an employer, business or business owner, approximately what is the size of your business? If responding as an individual or worker, what size workplace are you employed in?

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250+ employees)
- Don't know
- Not Applicable

Question 5: If responding as business representative or trade union, how many members does your organisation have?

[Free text]

Question 6: Where are you located? Please tick boxes for your main locations.

- North East
- North West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- East of England
- London
- South East
- South West
- Wales
- Scotland
- Northern Ireland
- Other – please specify [free text]

Question 7: What sector are you based in?

- Accommodation and food service activities
- Activities of households as employers; undifferentiated goods and services-producing activities of households for own use
- Administrative and support service activities
- Arts, entertainment and recreation
- Agriculture, forestry and fishing
- Construction
- Education
- Electricity, gas, steam and air conditioning supply
- Financial and insurance activities
- Human Health and social work activities
- Information and communication
- Manufacturing
- Mining and quarrying
- Production
- Professional, scientific and technical activities
- Public administration and defence; compulsory social security
- Real estate activities
- Services Sector
- Transportation and storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Other service activities
- Other – please specify [free text]

Background

The Fair Work Agency

The Fair Work Agency (the FWA) is an Executive Agency of the Department for Business and Trade. The FWA is responsible for upholding compliance with workers' rights and provides a single point of contact for workers who believe their rights have not been upheld. The FWA has brought together state enforcement functions for employment rights with the objective of reducing fragmentation and inefficiencies across the system.

The FWA is responsible for enforcing a wide range of labour market legislation and protecting workers from exploitation, non-compliance and abuse. It has responsibility for upholding compliance with employment agency rules and the minimum wage, licensing of gangmasters, and acting against serious labour exploitation.

The FWA has a single set of powers to investigate and take action against employers that do not comply with the law. These powers include:

- Powers to enter and inspect workplaces and require employers to produce relevant evidence to demonstrate compliance with employment law.
- A civil penalty regime. Where FWA officers find that employers have underpaid workers, they are able to issue Notices of Underpayment that require the employer to pay workers the wages they are due and pay a penalty to government.

Over time, the FWA will take on new functions and enforcement of a wider range of employment rights, including the enforcement of holiday pay. The government plans for the FWA to commence holiday pay compliance and enforcement in 2027.

What is holiday pay

Holiday pay is the pay that a worker receives for their holiday entitlement (their annual leave). The Working Time Regulations 1998 set out workers' entitlement to be paid for annual leave and how holiday pay must be calculated (with reference to the Employment Rights Act 1996). Holiday pay is a statutory pay right legally mandated under domestic law and employers cannot offer less than the statutory minimum. The entitlement to be paid holiday pay is not new and has been in place for many years.

Most workers who work a 5-day week must receive at least 28 days paid annual leave a year (including bank holidays). This is the equivalent of 5.6 weeks of holiday. For part time workers, this is pro-rated depending on the number of hours worked.

This entitlement applies to a wide range of workers, including agency workers, workers with 'irregular hours' (where the number of hours they work in a pay period are, under their contract, wholly or mostly variable) and 'part-year' workers (where

there are periods of at least a week in a leave year where they do not need to work and are not paid).

For irregular-hours or part-year workers, holiday pay can be paid as an uplift of 12.07% of a worker's remuneration in each pay reference period. This is called rolled up holiday pay.

Since April 2026, employers have been required to keep holiday pay records for six years (regulation 16B of the Working Time Regulations 1998) that are adequate to show whether they have complied with the requirements. It is up to the employer how they keep those records.

If workers do not take their statutory holiday entitlement during the leave year, they will usually lose it. However, if a worker isn't given the opportunity to take their leave, or encouraged to do so, the worker will usually be entitled to carry over that leave time they have accrued into the following leave year.

What is holiday pay compliance and enforcement

Compliance and enforcement are the actions taken to ensure holiday pay law is being followed, that workers' rights are upheld and that employers are complying with their obligations. The aim of enforcement action is to recover any money (arrears) owed to a worker who has not been correctly paid their entitlement.

Currently, holiday pay can be enforced via individual claims being brought to an Employment Tribunal by a worker who considers they have been underpaid. The tribunal considers the claim and decides whether or not the worker is owed arrears for holiday pay.

Evidence on holiday pay non-compliance

No single data source fully measures holiday pay compliance. However, the evidence available does indicate a significant level of non-compliance:

- Analysis conducted by the Resolution Foundation based on the Annual Survey of Hours and Earnings (ASHE) suggests 2.2 million jobs were not given any annual leave in 2025¹.
- Analysis by the Trade Union Congress (TUC) of the Labour Force Survey (LFS) suggests that around 1.1 million workers were not given holiday pay in 2023². This would equate to £2 billion in lost holiday pay, an average of £1,800 per worker.

It is important to note that these estimates are based on survey data and do not provide a direct, robust measure of the level of holiday pay non-compliance. The government takes these limitations into consideration when using data to inform enforcement.

¹ Resolution Foundation, 2026 [Labour Market Outlook Q1 2026 • Resolution Foundation](#)

² Trade Union Congress, 2024 [Making employment rights work | TUC](#)

Evidence suggests that the number of formal holiday pay claims are considerably lower than the estimated prevalence of non-compliance. Data from the Advisory, Conciliation and Arbitration Service (Acas) indicates that around 8,000 claims relating to 'Working Time (annual leave)' and 13,000 claims under 'Wages Act' were filed with Employment Tribunals in 2024/25³. Some of these claims involve underpayment or non-payment of holiday pay⁴. This indicates that many affected workers do not pursue formal enforcement routes. This is consistent with broader evidence that workers, particularly lower-paid and more precariously employed workers, face barriers to enforcing their rights through individual routes.

We want to gather some insights from you on holiday pay non-compliance to help understand this issue further. If you're a worker, we want to understand if you've been underpaid holiday pay in the past. If you're an employer, we want to understand how easy or difficult it is to comply with your obligations. We would also like to hear whether you've utilised Acas's support and services before.

Question 8: As a worker, have you been underpaid holiday pay in the past?

- Yes
- No
- Don't know
- Not applicable

Question 9: As a worker, do you know where you can currently go for assistance if you have not received your holiday pay?

- Yes
- No
- Don't know
- Not applicable

Question 10: As an employer, how easy or difficult do you find it to comply with your obligations in relation to holiday pay?

- Very easy
- Somewhat easy
- Neither easy nor difficult
- Somewhat difficult
- Very difficult
- Don't know
- Not applicable

Question 11: As a worker or employer have you ever used the Advisory, Conciliation and Arbitration Service (Acas) in relation to holiday entitlement or holiday pay? Please select all that apply.

³ Acas, 2025. [ACAS Annual report and accounts 2024 to 2025](#)

⁴ Acas, 2025 [Acas Annual report and accounts 2024 to 2025](#) (page 48)

- Yes, for advice via the Acas helpline
- Yes, for Acas training and/or workplace support
- Yes, for Early Conciliation on a holiday pay dispute
- Yes, for another reason [free text]
- No
- Don't know
- Not applicable

Question 11.a: If no, what prevented you using the Advisory, Conciliation and Arbitration Service (Acas) in relation to holiday entitlement or holiday pay?

- Not aware of Acas and their role
- Too time consuming
- Didn't think my issue or dispute would go anywhere
- Other [free text]

Rationale for state enforcement of holiday pay

The Act provides for the FWA to have the power to uphold compliance with holiday pay law and to take enforcement action on behalf of workers. This will be a new way of enforcing holiday pay where the state will take action to ensure that employers are complying with the law and, where necessary, to recover arrears for workers.

State enforcement can be more efficient than taking an individual claim to a tribunal and so will enable more workers to have their right enforced more quickly. Workers will not have to pay to have their rights enforced by the FWA (i.e. enforcement action is free for a worker). State enforcement is also able to reach more workers and businesses than individual enforcement. FWA enforcement activity assesses compliance for the entire workforce of a business, not just single workers. It can therefore place legal obligations against breaches on the entirety of each business.

State enforcement of holiday pay is intended to increase pay outcomes for workers who are more likely to be in low-paid work where holiday pay underpayment is more likely. State enforcement reduces systemic disparities in who can access holiday pay and supports fairer outcomes for protected groups.

Enforcement by the FWA does not replace a worker's right to make a claim to an Employment Tribunal. However, a worker cannot recover the same arrears from both an Employment Tribunal and the FWA. An Employment Tribunal also may decide not to consider a claim while that same claim is being investigated by the FWA.

The FWA will also provide a key educational role in supporting businesses through providing upskilling activities and advice on compliance with the legislation. This will continue to help create a level playing field where all businesses comply with holiday pay law.

International comparisons

In most countries, a national labour authority is generally tasked with making sure holiday pay rules are followed, as well as overseeing basic employment rights like minimum wage and protections for agency workers. Systems also vary between centralised and decentralised models, such as Canada’s split between federal and provincial enforcement. The USA is an exception as it does not mandate paid annual leave at the federal level.

Table 1: Approaches to holiday pay enforcement internationally

Country	Approach to enforcing holiday pay and leave
UK	Holiday pay is enforced through individual routes (e.g. Employment Tribunal claims), rather than through coordinated, state-led enforcement.
France	Paid annual leave is part of labour law and falls within the remit of the national labour inspectorate, which monitors compliance as part of routine inspections; labour courts act as a backstop for individual disputes ⁵ .
Spain	Labour and social security inspectorates oversee compliance with statutory paid-leave requirements as part of routine labour inspection, with labour courts resolving individual entitlement and back-payment disputes ⁶ .
Italy	Labour Inspectorate oversees compliance with working time and leave rules (including paid leave), with powers to issue sanctions; courts act as a backstop for individual claims ⁷ .
Ireland	Holiday pay is enforced by a central state body under the Organisation of Working Time Act, reflecting a state-led model rather than reliance on courts alone ⁸ .
Germany	Paid annual leave is a statutory requirement monitored through public authorities at regional (Länder) level, with courts acting as a backstop for individual claims ⁹ .
Australia	Paid annual leave forms part of national employment standards overseen by a national labour authority, with judicial processes used where disputes arise ¹⁰ .

⁵ Inspection du travail - France and Labour Code

[The missions and prerogatives of the labour inspectorate - Digital Labour Code](#) (because paid leave is part of labour law, it falls within labour inspection oversight)

⁶ The Labour and Social Security Inspectorate - Spain [Guía Laboral. Ministerio de Trabajo y Economía Social. Ministerio de Inclusión Seguridad Social y Migraciones 2024](#)

⁷ [Labour inspection profile - Italy | International Labour Organization](#)

⁸ Workplace Relations Commission - Ireland

https://www.workplacerelements.ie/en/publications_forms/posting-to-ireland.pdf Annual Leave - Workplace Relations Commission posting-to-ireland.pdf

⁹ Federal Ministry of Labour (BMAS) – Germany [Labour Law - BMAS](#)

Federal Vacation Act (Bundesurlaubsgesetz) establishes statutory paid leave [[bmas.de](#)]

¹⁰ Fair Work Ombudsman – Australia

Annual leave entitlement under National Employment Standards [[fairwork.gov.au](#)]

USA	No statutory right to paid holiday; enforcement only applies where employers contractually offer leave (handled via state level labour authorities/courts). ¹¹
Japan	Labour Standards Inspection Offices enforce paid leave, including mandatory take-up requirements introduced in recent reforms ¹² .
Canada	Enforcement is delivered through provincial labour standards bodies, which investigate complaints and may conduct inspections; entitlements increase with tenure, with courts acting as a backstop ¹³ .
Norway	Holiday leave is overseen by the Labour Inspection Authority, but holiday pay is not centrally enforced and is typically pursued through individual claims; the deferred holiday pay system is currently under review, with reforms proposed to allow workers to receive paid holiday in their first year ¹⁴ .

In the UK, by contrast, holiday pay enforcement sits outside the remit of state inspections and is left primarily to individual tribunal claims. Given the potential gap between estimates of holiday pay non-compliance and the number of individual claims in the UK, this provides a rationale for a more coordinated, state led approach to holiday pay enforcement through the FWA.

Evidence gaps

As noted previously, the evidence regarding non-compliance with holiday pay remains limited, with estimates primarily based on survey data. The Department of Business and Trade and the FWA will work with workers, employers and stakeholders to understand the scale and drivers of non-compliance. The FWA will also use the first months of implementation to collect data to improve the evidence base and monitor and evaluate the impact of interventions.

As part of this consultation the government welcomes any additional evidence on the scale of holiday non-compliance to build a further understanding of the issue.

If you, or your organisation, are aware of any evidence on the scale and nature or drivers of holiday pay non-compliance, please contact:

holidaypay.enforcement.consultation@businessandtrade.gov.uk.

¹¹ [Holiday Pay | U.S. Department of Labor](#)

¹² [Complete Guide to Japan Leave Policy: Employment Laws, Benefits & Compliance Requirements 2026](#)

¹³ [Annual vacations and general holidays for employees working for federally regulated employers - Canada.ca](#)

¹⁴ [Labour Inspector Authority \(Holiday Pay - Feriepenger\): Holiday Pay in Norway Explained - Life in Norway Feriepenger](#)

PART 1: Approach to holiday pay compliance and enforcement

This section sets out **what** the FWA will be enforcing in relation to holiday pay and **how** it will enforce holiday pay and uphold compliance with holiday pay law.

We want to hear your views on the proposed approach to holiday pay compliance and enforcement.

What the Fair Work Agency will be enforcing

The FWA will only enforce **statutory** holiday pay entitlement. This means it will only enforce holiday pay that a worker is entitled to under the Working Time Regulations 1998. If a worker has a contractual arrangement with their employer which provides additional holiday entitlement (entitlement over and above the statutory minimum), then the FWA would not enforce that additional entitlement. Claims relating to non-statutory holiday entitlement can still be taken to the tribunal or the civil courts.

The FWA will uphold compliance with existing holiday pay legislation. The requirement to pay workers holiday pay is not new as employers have been required to pay holiday pay since the introduction of the Working Time Regulations in 1998. However, this will be the first time that holiday pay has been enforced by the state.

FWA compliance and enforcement moves away from lengthy and costly individual tribunal claims towards proactive state investigation to help ensure more workers get the right holiday pay entitlement.

The FWA can take a 'whole employer' approach to holiday pay compliance and enforcement. This means the agency can look at an employer's compliance with holiday pay law in relation to all their workers, rather than only dealing with a worker's complaint in isolation.

Importantly, the FWA can also look at an employer's compliance with multiple aspects of employment law. For example, if a business is inspected for compliance with holiday pay law, they may also be inspected for compliance with the minimum wage at the same time.

State enforcement of holiday pay will exist alongside the avenue of enforcement through the tribunal system; it does not replace the tribunal system. However, state enforcement is generally quicker than taking a claim to a tribunal and means businesses and workers do not have to go through lengthy tribunal processes. A worker also does not have to pay the FWA to enforce their right, and businesses do not have to fund legal representation.

The below table sets out what will be in the FWA's remit in relation to holiday pay.

Table 2: The FWA's holiday pay enforcement remit

Within the FWA's remit	Not within the FWA's remit
<ul style="list-style-type: none"> • Statutory holiday pay entitlement and underpayment of holiday pay (Schedule 7, Part 1, Section 21 of the Act specifies which aspects of holiday pay entitlement are within the FWA's enforcement remit). • This includes, but is not limited to, where statutory holiday pay has been underpaid, not paid, or calculated incorrectly, including where an employer has refused leave or refused to allow leave to carry over. 	<ul style="list-style-type: none"> • Non-statutory or contractual holiday pay which exceeds the statutory entitlement.

How holiday pay compliance and enforcement will work

The government wants to build a compliance and enforcement framework for holiday pay that is fair, proportionate and effective for both workers and employers. This means supporting employer compliance with holiday pay law and ensuring that workers are receiving their correct entitlement. It will be important to ensure that the necessary tools and guidance are available to support employers and workers.

We know calculating holiday pay entitlement can be complex and can lead to accidental non-compliance and underpayment. The FWA will work with employers to ensure they understand their obligations and will provide opportunities for employers to correct any underpayment rather than moving straight to punitive enforcement action. Supporting employers to do the right thing often provides the fastest resolution for workers as employers will often rectify accidental non-compliance quickly.

We do know, however, that a small number of employers deliberately do not comply with the law and intentionally miscalculate or do not pay holiday pay to their workers. In instances where employers refuse to comply, the FWA can pursue strong enforcement action. This includes the power to inspect records, enter premises, investigate businesses and issue penalties.

For businesses which comply with the law, very little will change. However, businesses which do not comply can expect to be investigated and penalised accordingly.

The FWA will have a range of compliance and enforcement tools at its disposal

A supportive approach to enforcing holiday pay means the FWA will carry out a range of compliance and enforcement activities. These will range from more

supportive compliance-focused activities through to more punitive enforcement action:

- Raising awareness and offering guidance and support to employers on how to comply with the law.
- Promoting compliance by nudging employers and encouraging them to check their records and voluntarily pay any arrears that may be owed. A penalty would not ordinarily be issued where an employer has correctly repaid all holiday pay arrears that are owing to the workers before the start of an FWA investigation.
- Investigating claims of underpayment and carrying out proactive inspections of businesses to ensure compliance with the law.
- Issuing Notices of Underpayment requiring payment of arrears to workers and payment of a civil penalty to the government.

Notices of Underpayment and civil penalties are already used in current FWA enforcement of the minimum wage. Minimum wage enforcement is something that many employers, workers and trade unions will be familiar with. The civil penalty regime in the Act which will be used for holiday pay enforcement was based on the civil penalty regime used for minimum wage enforcement.

Example: how the FWA could support employers to comply with the law

An employer has miscalculated holiday entitlement and has been underpaying some of its workers. The FWA receives a complaint from a worker.

The FWA writes to the employer advising that the employer checks they have been paying holiday pay correctly and, if not, to pay any arrears owing. There is a range of support and guidance the FWA can provide to help calculate entitlement and Acas can also provide free impartial advice on holiday pay entitlement.

The employer recognises they have not paid holiday pay correctly and promptly pays the arrears owing to the workers. The employer notifies the FWA of the underpayment and demonstrates that all arrears have been paid.

As the employer correctly repaid all arrears before the FWA started an investigation, the FWA will not issue a penalty to that employer.

In the future, businesses could be named for holiday pay underpayment

Businesses which do not pay the minimum wage and are issued a penalty are generally named publicly by the Department for Business and Trade. Naming exists to increase awareness of minimum wage legislation and to act as a deterrent to the minority of employers who may be tempted to underpay their workers.

In the future, naming could be expanded to include naming for holiday pay underpayment. This would raise awareness of holiday pay legislation and provide an additional deterrent to underpayment.

We would like to hear your views on whether you think, in the future, businesses should also be named for underpaying holiday pay.

Question 12: What are your views on the proposed approach for the Fair Work Agency to support holiday pay compliance?

[Free text]

Question 13: Are there any other compliance activities you think the Fair Work Agency should do to support employers to comply with holiday pay law?

[Free text]

Question 14: Are there any other enforcement activities you think the Fair Work Agency should do to enforce holiday pay?

[Free text]

Question 15: Do you think the policy of naming businesses for underpayment of the minimum wage should also be extended to naming for underpayment of holiday pay?

Yes

No

Not sure

Question 15.a: Please explain your answer.

[Free text]

Support and guidance for holiday pay compliance and enforcement

Holiday pay can be complex in some circumstances, particularly where individuals work irregular hours, work for part of the year, or where pay varies. We know that this complexity can make it harder for workers to understand their rights and for employers to be confident they are meeting their legal obligations.

Holiday pay compliance and enforcement is intended to be proportionate and supportive. This means the FWA will have a key role in supporting employers and workers to understand their obligations, entitlements and how holiday pay compliance and enforcement will work in practice.

The FWA's approach will seek to complement the range of holiday pay guidance already available on [GOV.UK](https://www.gov.uk) such as the existing calculator to [calculate holiday entitlement](#).

We want to know if there are specific supports or tools, in addition to the existing guidance, that the FWA could provide to help businesses and workers understand their rights and obligations. This could include interactive tools, or the ability for users to self-serve information to understand how state enforcement applies to their specific circumstances.

We are considering a range of potential supports and tools that the FWA could provide but we also want to hear whether there are any other supports you think the FWA could provide.

Examples of the types of support we are considering include:

- a more detailed calculator or self-assessment tool to help employers and workers work out holiday entitlement and holiday pay;
- specific scenarios and worked examples to illustrate how holiday pay law could apply in specific circumstances;
- a chatbot or digital assistant to help users navigate holiday pay support interactions with the FWA;
- webinars delivered by the FWA to explain holiday pay entitlements, employer obligations and how the compliance and enforcement regime will operate; and
- more consolidated and centralised guidance on the FWA and/or Acas web pages to make information simpler to find and easier to understand.

Acas will continue to play an important role in providing workers and employers with free, impartial advice on workplace rights, including holiday pay. Acas also offers training and conciliation services to resolve disputes. Workers and employers should continue to engage with Acas to understand holiday entitlement and options available to have their right enforced.

Question 16: Are you aware of the existing holiday pay and entitlement guidance on GOV.UK?

- Yes
- No

Question 17: Have you previously used the existing holiday pay and entitlement guidance on GOV.UK?

- Yes
- No
- No, was not aware of such guidance

Question 18: In addition to the existing guidance, is there any specific support and guidance the Fair Work Agency can provide to better support you to understand your rights and obligations?

- Yes
- No

Question 18.a: If yes, what additional support and guidance, specifically, would you find useful? Please select all that apply.

- A more detailed calculator or self-assessment tool to work out holiday entitlement and pay
- Specific scenarios and worked examples to help understand how holiday pay law could apply in specific circumstances
- A chatbot to provide user support when interacting with the Fair Work Agency in relation to holiday pay
- Webinars provided by the Fair Work Agency
- More consolidated and centralised guidance on the Fair Work Agency and/or the Advisory, Conciliation and Arbitration Service websites
- Other [free text]

PART 2: Policy settings for holiday pay compliance and enforcement

The Act sets default policy settings for holiday pay compliance and enforcement, and it also provides flexibility to alter these settings through regulations. This means the government has a choice on some aspects of holiday pay compliance and enforcement.

In this section the government sets out its proposals for these policy settings which are the claim period for holiday pay claims, the penalty settings, and interventions to support lower paid workers. We want to hear your views on these proposals, including whether you agree with them or if there are alternatives you propose.

Claim period – the time limit for holiday pay claims

The claim period is the time limit during which the FWA would be able to enforce a worker's right. If a claim falls outside the claim period, then the FWA could not enforce that claim.

Enforcement of pay rights like holiday pay is limited via a claim period to provide certainty, enable efficient enforcement action, and to prevent employers from facing open-ended liability.

The default claim period enabled in legislation is six years. However, the legislation provides the power to set a shorter claim period. The legislation does not allow a period longer than six years to be set.

The claim period for state enforcement is different from the time limit that a worker has in which to bring a holiday pay claim to the Employment Tribunal. Claims must usually be brought to the Employment Tribunal within three months (changing to six months no earlier than October 2026) of the most recent underpayment taking place. For enforcement by the FWA, a worker could report underpayment of holiday pay at any time during the claim period.

The government's proposal

The government proposes the claim period for FWA enforcement of holiday pay be set at the default six years.

This aligns with the claim period for current enforcement of the minimum wage. This consistency will also be simpler for workers and employers to understand.

A six-year claim period also aligns with record keeping requirements on employers. From April 2026, the government introduced a requirement to keep holiday pay records for six years to support FWA enforcement of holiday pay from 2027.

It is important to note that there is a limitation on the six-year period. Holiday pay claims will not be enforceable by the FWA if they occurred *before* Royal Assent of

the Act, which is when the Act became law. Royal Assent was 18 December 2025 so claims from before this date cannot be enforced by the FWA.

Example: Claim period interaction with Employment Tribunal timeframes

In December 2027, a worker contacts the FWA about a single underpayment that occurred in March 2026. The worker cannot take their claim to an Employment Tribunal as the underpayment occurred outside the six-month timeframe a worker has to bring a claim to a tribunal.

The FWA will be able to investigate and enforce this worker's right as the underpayment occurred within the six-year claim period and after Royal Assent of the Act (which was 18 December 2025).

Example: Claim from before Royal Assent of the Act

In December 2027, a worker comes to the FWA with a claim of holiday pay underpayment from December 2022 (five years in the past). While five years is within the proposed six-year claim period for holiday pay enforcement, the underpayment occurred before Royal Assent of the Act (which was 18 December 2025).

In this scenario, the FWA could not enforce this worker's claim.

Question 19: What do you think of a six-year claim period for holiday pay compliance and enforcement (noting the legislation does not allow for a claim period longer than six years)?

Sufficient

Too long

Question 19.a: Please indicate if you propose an alternative claim period and why.

[Free text]

Penalty settings for holiday pay civil penalties

The FWA has the power to issue civil penalties to employers who do not pay holiday pay correctly. Civil penalties would apply when a Notice of Underpayment (NoU) is issued under sections 103-115 of the Act. These are civil penalties only and there is no criminal charge involved. An employer can dispute a civil penalty via an Employment Tribunal.

The civil penalty regime for holiday pay works in the same way as civil penalties for the minimum wage. The Act specifies the default penalty amount but also provides

the power for the government to set a different amount through regulations (section 107).

A penalty is not necessarily imposed every time a worker is underpaid holiday pay; and a penalty is only imposed when an NoU is issued to an employer. An NoU would ordinarily not be issued where an employer has correctly repaid all the arrears that are owing to the workers before the start of an FWA investigation.

Civil penalties are paid to the government and go into the Consolidated Fund (the government's central bank account). The FWA will not keep holiday pay penalties that are paid.

As with the penalties for the minimum wage, a holiday pay penalty would be considered paid if all unpaid arrears *and* half the penalty are paid within 14 days (this means the penalty is effectively discounted by half).

The government's proposal

The government proposes that the penalty settings for holiday pay underpayment be the default settings enabled through the Act. These are:

- **A penalty amount of 200% of arrears per worker.** This means an employer must pay a penalty of 200% (i.e., double) of the unpaid wages for each worker who has been unpaid. **The penalty would be effectively 100% of arrears** if the full arrears *and* half the penalty are paid within 14 days.
- **A maximum penalty of £20,000 per worker.** This means that for each individual worker, the Fair Work Agency cannot impose a penalty of more than £20,000 per worker.
- **A minimum penalty of £100 per case.** This means that for each case (regardless of whether this involves one or multiple workers), the minimum penalty the Fair Work Agency can impose is £100.

A 200% penalty strikes a balance between financially penalising businesses that do not comply with the law while also not imposing an excessively high burden on businesses.

A maximum penalty of £20,000 is sufficiently high to provide a deterrent, while also limiting business liability and ensuring that penalties are proportionate. In practice, we would rarely expect a penalty to reach £20,000 as this would generally require sustained underpayment over an extended period.

A minimum penalty of £100 per case ensures that even small underpayments, which are minimal for employers but costly for low-paid workers, carry a penalty. This helps maintain a deterrent for the minority of employers who do not comply with the law.

These settings would align with the current penalty settings for minimum wage compliance and enforcement. We consider it will also be easier for employers to understand if penalty settings for different pay rights are consistent.

Example: Paying a 200% penalty for holiday pay

An employer has underpaid 10 workers holiday pay, amounting to total unpaid wages of £1,500.

The employer is issued a Notice of Underpayment requiring them to repay those workers their unpaid wages and also pay a penalty of £3,000 (200% of the total arrears) to the government. The penalty is less than the £20,000 per worker maximum.

If the employer pays the arrears of £1,500 and half of the penalty (£1,500) within 14 days, then the employer does not have to pay the remaining £1,500 of the penalty.

Question 20: What do you think of a 200% penalty for holiday pay underpayment?

- Sufficient
- Too high
- Too low

Question 20.a: Please indicate if you propose an alternative penalty amount and why.

[Free text]

Question 21: What do you think of a maximum penalty of £20,000 per worker?

- Sufficient
- Too high
- Too low

Question 21.a: Please indicate if you propose an alternative maximum penalty and why.

[Free text]

Question 22: What do you think of a minimum penalty of £100 per case?

- Sufficient
- Too high
- Too low

Question 22.a: Please indicate if you propose an alternative minimum penalty and why?

[Free text]

Targeting interventions towards lower-paid workers

Any worker can bring a claim to the FWA. However, the government's intent is that the main focus of state enforcement is to support lower-income workers and workers in more vulnerable or precarious employment. This supports those who are more likely to have their rights infringed upon or who are less likely to have the means to pursue holiday pay claims through a tribunal. Vulnerable or precarious employment might include part year or irregular hours employment.

To meet the government's intent, we want to hear your views on what the FWA could do to target interventions at lower-paid workers and workers in more vulnerable or precarious employment. The government is considering legislative and operational means to focus FWA activity:

- A cap on the maximum arrears a worker can receive from FWA enforcement.
- Triaging holiday pay complaints received by the FWA to focus compliance and enforcement activity on lower-paid workers.
- Targeting proactive compliance and enforcement by geographical area.

A 'cap' on maximum arrears a worker can receive from FWA enforcement

One possible way to target interventions is via a legal 'cap' on the maximum amount of holiday pay arrears a worker can recover through state enforcement. The Act provides the legislative power to set a cap, but it does not require there to be a cap.

A cap could help focus interventions on lower income workers by disincentivising high paid workers from having their right enforced by the FWA. Higher income workers whose claims exceed the cap would have their arrears enforced up to the cap, or they would need to take their claim to an Employment Tribunal. The Employment Tribunal has no cap on arrears a worker can receive. A cap would not in any way limit a worker utilising Acas.

The default position in legislation is that there would be no cap on the maximum arrears. A cap would need to be set through the making of regulations. Any cap would be set at a high enough level to ensure that any lower-paid worker would not see their arrears exceed the cap. This means that lower-paid workers would always be able to recover their full entitlement from enforcement.

Triaging holiday pay complaints to focus on lower-paid workers

Operationally the FWA could triage holiday pay complaints to prioritise and assess cases involving lower-paid workers.

This could help ensure that state enforcement is directed first towards workers who may be less likely to have the means to pursue a holiday pay claim through an Employment Tribunal. Higher-paid workers would still be able to bring complaints for underpayment, but their cases may be deprioritised for FWA enforcement.

Higher-paid workers may therefore prefer to seek remedy through an Employment Tribunal. Triaging holiday pay complaints would not restrict access to Acas or prevent any worker from seeking advice or early resolution.

Targeting compliance and enforcement by geographical area

The FWA could proactively target holiday pay compliance and enforcement activity towards geographical areas where there are higher concentrations of lower-paid workers or workers in more vulnerable or precarious employment. This would be similar to the Geographical Compliance Approach already employed in minimum wage compliance and enforcement¹⁵.

Targeting enforcement geographically could help the FWA identify and address systemic holiday pay non-compliance in areas where low pay is more prevalent, or where workers may face additional barriers to enforcing their right. This approach would not prevent individual workers in any location from bringing a claim to the FWA.

Question 23: How do you think the Fair Work Agency could focus holiday pay enforcement on lower paid workers in more vulnerable/precarious employment? Please select all that apply.

A cap on the maximum arrears a worker can receive from Fair Work Agency enforcement of holiday pay.

The Fair Work Agency operationally triaging complaints about holiday pay underpayment to prioritise complaints from lower-paid workers.

Targeting compliance and enforcement interventions at geographical regions where there are greater proportions of lower paid workers.

Other [Free text]

¹⁵ <https://www.gov.uk/government/publications/national-minimum-wage-geographical-compliance-approach-research/national-minimum-wage-geographical-compliance-approach-research>

Part 3: Rolled-up holiday pay usage

This section seeks your views on rolled-up holiday pay, including how it is being used in practice and how easy or difficult it is to implement.

In 2024, changes to the Working Time Regulations 1998 introduced the option for employers to use rolled-up holiday pay for workers with irregular hours or part-year working patterns. Where used, rolled-up holiday pay is paid as a separate identified uplift to pay throughout the year, rather than being paid when leave is taken. This was intended to offer a simpler alternative to employers calculating holiday pay entitlement at the point of a worker taking leave.

As rolled-up holiday pay is a relatively recent change, we want to hear views on current practices and how employers and workers are finding rolled-up holiday pay. Your views will help the government build an evidence base on how, and to what extent, rolled-up holiday pay is being used in practice.

Question 24: As an employer, do you use rolled-up holiday pay for your irregular hours / part year workers?

- Yes
- No
- Not applicable

Question 25: If yes, how easy or difficult do you find it to operate rolled-up holiday pay arrangements?

- Very easy
- Somewhat easy
- Neither easy nor difficult
- Somewhat difficult
- Very difficult
- Don't know
- Not applicable

Question 26: As a worker, how clearly is rolled-up holiday pay shown or explained to you (for example on payslips or in contracts)?

- Very clearly
- Somewhat clearly
- Not clearly
- It is shown or explained
- Don't know
- Not applicable

Government response to this consultation

This consultation will close at 11.59pm on 22 September 2026. Following the closure of this consultation we will analyse the responses and consider any views expressed and representations made before publishing a government response.

Glossary

Acas – The Advisory, Conciliation and Arbitration Service which is an independent agency providing free, impartial advice and guidance to employers and workers on employment rights.

The Act – The Employment Rights Act 2025. This Act changes employment law and provides the power for the Fair Work Agency to enforce statutory pay rights, including the right to holiday pay.

Compliance and Enforcement – The processes the Fair Work Agency will use to make sure employers are complying with holiday pay law. This includes providing guidance and support to encourage compliance, as well as more punitive enforcement action like investigating underpayments and issuing penalties where necessary.

Employment Rights Act 1996 – The law which sets out individual employment rights including rules used to calculate holiday pay. This legislation is different from the Employment Rights Act 2025 (see above).

Employment Tribunal – An employment tribunal is an independent court that decides disputes between workers and employers about employment rights. A worker can challenge an employer who has not paid the correct holiday pay or has withheld holiday entitlement.

Fair Work Agency – The government agency responsible for state enforcement of employment rights, including the enforcement of holiday pay, on behalf of the Secretary of State.

Holiday entitlement – The legal right to take time off work (annual leave). How much time a worker gets off work depends on their specific employment and is set out in the Working Time Regulations 1998.

Holiday pay – The pay a worker receives for their holiday entitlement.

Minimum wage – The National Minimum Wage and National Living Wage, which is the legal hourly minimum rate that employers must pay their workers, with rates varying by age and apprenticeship status.

Regulations – A form of secondary legislation (supporting law) which provides the detail for rules set out in the primary legislation (the Act of Parliament).

Rolled-up holiday pay – Where a worker's holiday pay is included in their regular wages, rather than being paid separately when they take holiday. Rolled up holiday pay is usually calculated as an extra percentage on top of the worker's hourly pay.

Royal Assent – The final stage of a Parliamentary Bill where the monarch grants formal approval for the Bill to become law.

Statutory holiday entitlement – Entitlement which is set out in law (statute or regulations), rather than through a contract or agreement, and which is guaranteed to a worker.

Trade Union – An organisation which usually consists mainly of workers and represents the interests of workers, usually to negotiate pay and other conditions with employers.

Worker – Regulation 2(1) of the Working Time Regulations 1998 says who is a 'worker' for the purposes of statutory holiday entitlement and holiday pay. This includes employees, agency workers, zero-hours workers, casual and seasonal workers, and some freelancers and consultants. Individuals who are genuinely self-employed and in business on their own account are not workers for these purposes and so are not entitled to statutory holiday pay.

Working Time Regulations 1998 – The law which set out the rules for workers' working hours, including rules for statutory holiday entitlement and pay.

Summary of consultation questions

Question 1: Please indicate whether you are responding as:

- An individual
- An employer
- A legal representative
- A business representative organisation (please specify)
- A trade union or staff association (please specify)
- A charity or interest group
- An academic, or on behalf of an academic or research organisation
- Other – please specify [free text]

Question 2: You selected that you are responding as an individual, are you (select all that apply):

- An individual working directly for an employer
- An agency worker, paid by an agency
- An agency worker, paid through an umbrella company – meaning a payroll provider which is different from the agency
- A self-employed or freelance individual
- Other – please specify [free text]

Question 3: You selected that you are responding as an employer, are you (select all that apply):

- A direct employer
- A hirer of agency workers
- An agency
- An umbrella company
- Other – please specify [free text]

Question 4: If responding as an employer, business or business owner, approximately what is the size of your business? If responding as an individual or worker, what size workplace are you employed in?

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250+ employees)
- Don't know
- Not Applicable

Question 5: If responding as business representative or trade union, how many members does your organisation have?

[Free text]

Question 6: Where are you located? Please tick boxes for your main locations.

- North East
- North West
- Yorkshire and The Humber
- East Midlands

- West Midlands
- East of England
- London
- South East
- South West
- Wales
- Scotland
- Northern Ireland
- Other – please specify [free text]

Question 7: What sector are you based in?

- Accommodation and food service activities
- Activities of households as employers; undifferentiated goods and services-producing activities of households for own use
- Administrative and support service activities
- Arts, entertainment and recreation
- Agriculture, forestry and fishing
- Construction
- Education
- Electricity, gas, steam and air conditioning supply
- Financial and insurance activities
- Human Health and social work activities
- Information and communication
- Manufacturing
- Mining and quarrying
- Production
- Professional, scientific and technical activities
- Public administration and defence; compulsory social security
- Real estate activities
- Services Sector
- Transportation and storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Other service activities
- Other – please specify [free text]

Question 8: As a worker, have you been underpaid holiday pay in the past?

- Yes
- No
- Don't know
- Not applicable

Question 9: As a worker, do you know where you can currently go for assistance if you have not received your holiday pay?

- Yes
- No
- Don't know

Not applicable

Question 10: As an employer, how easy or difficult do you find it to comply with your obligations in relation to holiday pay?

- Very easy
- Somewhat easy
- Neither easy nor difficult
- Somewhat difficult
- Very difficult
- Don't know
- Not applicable

Question 11: As a worker or employer have you ever used the Advisory, Conciliation and Arbitration Service (Acas) in relation to holiday entitlement or holiday pay? Please select all that apply.

- Yes, for advice via the Acas helpline
- Yes, for Acas training and/or workplace support
- Yes, for Early Conciliation on a holiday pay dispute
- Yes, for another reason [free text]
- No
- Don't know
- Not applicable

Question 11.a: If no, what prevented you using the Advisory, Conciliation and Arbitration Service (Acas) in relation to holiday entitlement or holiday pay?

- Not aware of Acas and their role
- Too time consuming
- Didn't think my issue or dispute would go anywhere
- Other [free text]

Question 12: What are your views on the proposed approach for the Fair Work Agency to support holiday pay compliance?

[Free text]

Question 13: Are there any other compliance activities you think the Fair Work Agency should do to support employers to comply with holiday pay law?

[Free text]

Question 14: Are there any other enforcement activities you think the Fair Work Agency should do to enforce holiday pay?

[Free text]

Question 15: Do you think the policy of naming businesses for underpayment of the minimum wage should also be extended to naming for underpayment of holiday pay?

- Yes
- No
- Not sure

Question 15.a: Please explain your answer.

[Free text]

Question 16: Are you aware of the existing holiday pay and entitlement guidance on GOV.UK?

- Yes
- No

Question 17: Have you previously used the existing holiday pay and entitlement guidance on GOV.UK?

- Yes
- No
- No, was not aware of such guidance

Question 18: In addition to the existing guidance, is there any specific support and guidance the Fair Work Agency can provide to better support you to understand your rights and obligations?

- Yes
- No

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- A more detailed calculator or self-assessment tool to work out holiday entitlement and pay
- Specific scenarios and worked examples to help understand how holiday pay law could apply in specific circumstances
- A chatbot to provide user support when interacting with the Fair Work Agency in relation to holiday pay
- Webinars provided by the Fair Work Agency
- More consolidated and centralised guidance on the Fair Work Agency and/or the Advisory, Conciliation and Arbitration Service websites
- Other [free text]

Question 19: What do you think of a six-year claim period for holiday pay compliance and enforcement (noting the legislation does not allow for a claim period longer than six years)?

- Sufficient
- Too long

Question 19.a: Please explain your answer.

[Free text]

Question 20: What do you think of a 200% penalty for holiday pay underpayment?

- Sufficient
- Too high
- Too low

Question 20.a: Please indicate if you propose an alternative penalty amount and why?

[Free text]

Question 21: What do you think of a maximum penalty of £20,000 per worker?

- Sufficient
- Too high
- Too low

Question 21.a: Please indicate if you propose an alternative maximum penalty and why?

[Free text]

Question 22: What do you think of a minimum penalty of £100 per case?

- Sufficient
- Too high
- Too low

Question 22.a: Please indicate if you propose an alternative minimum penalty and why?

[Free text]

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- A cap on the maximum arrears a worker can receive from Fair Work Agency enforcement of holiday pay.
- The Fair Work Agency operationally triaging complaints about holiday pay underpayment to prioritise complaints from lower-paid workers.
- Targeting compliance and enforcement interventions at geographical regions where there are greater proportions of lower paid workers.
- Other [Free text]

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