

**Workers who have not taken all of their statutory annual leave entitlement due to COVID-19 will now be able to carry it over into the next 2 leave years.**

This advice note considers the extension of Annual leave entitlement for workers who are unable to take their annual leave due to Coronavirus.

It is important to note that the situation is very fluid and Government guidance is being updated daily. We can therefore only provide a general guide that should be used with care. The information in this note is based on information released by the Government as at 27 March.

Rules around annual leave

Currently, workers cannot automatically carry over any holiday from one year to the next. In a recent press release, the Government has announced it is allowing workers to carry over up to four weeks (not 5.6 weeks) annual leave into the next two leave years. Details can be found at

<https://www.gov.uk/government/news/rules-on-carrying-over-annual-leave-to-be-relaxed-to-support-key-industries-during-covid-19>

The Government is preparing to publish ‘The Working Time (Coronavirus) (Amendment) Regulations 2020’, which is likely to amend regulation 13 of the Working Time Regulations to allow workers to carry over EU holiday into the next two leave years, where it is not reasonably practicable for them to take some, or all, of the holiday they are entitled to due to Coronavirus. Technically, Regulation 13 only deals with the four weeks' leave mandated by EU Regulations and not the full 28 days to which an employee is entitled under UK law.  Whilst the balance of 1.6 weeks' statutory leave will not be affected business may wish to consider whether to apply this to all holiday entitlement in order to simplify administration, particularly as it is unclear whether employees are required to take the first or last 4 weeks as the EU leave. .  
  
Whilst this change may increase holiday entitlement over the next 2 years, this is aimed at reducing the current pressure from the impacts of COVID-19 and allow businesses the flexibility to better manage their workforce while also protecting workers’ right to paid holiday.  
  
Don’t forget, this advice is general in nature and will need to be tailored to any one particular situation. Should you find yourself in the situation above, contact us at any stage for advice and assistance as appropriate.

Motor Industry Legal Services

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