

TRANSPORT FOR LONDON

ADDITIONAL HOLIDAY PAY AGREEMENT

1. Parties

The parties to this Additional Holiday Pay agreement (the Agreement) are Transport for London (TfL) and the trade unions listed below:-

- National Union of Rail Maritime and Transport Workers (RMT)
- PCS
- Prospect
- Transport Salaried Staffs' Association (TSSA)
- Unison
- Unite the Union (Unite)

2. Purpose

This Agreement sets out how additional holiday pay will be calculated to reflect that overtime payments should be included in the calculation of holiday pay for the first 5.6 weeks of statutory holiday under the Working Time Regulations 1998 (the Regulations).

3. Principle

The parties agree that the calculation of holiday pay for the first four weeks of statutory holiday should include overtime payments in addition to basic pay. This Agreement sets out how an additional holiday payment will be calculated and paid based upon an average of overtime worked over a 12 month period.

4. Scope

All current employees of TfL are covered by this Agreement. Employees employed as at 31 December in the relevant Reference Period will be entitled to receive the a Qualifying Payment as calculated in accordance with the provisions of this Agreement.

5. Definitions

- (a) Additional Holiday Payment – an additional payment calculated in accordance 6 (a) below to reflect that overtime worked should be included in the calculation of holiday pay for the 5.6 weeks of statutory holiday under the Regulations.

- (b) Basic Pay – an employee’s fixed gross annual salary not including benefits, bonuses or any other form of remuneration.
- (c) Qualifying Payments – paid overtime during any Reference Period.
- (d) Reference Period – the 12 month reference period from 1 January to 31 December each year (unless the start of the relevant payroll period includes days from the end of the previous 12 month period, in which case the 12 month reference period will start from the payroll period start date and continue for a 12 month period).

6. Additional Holiday Payment

The Additional Holiday Payment is calculated by averaging the amount of Qualifying Payments for the four week period of statutory holiday.

The Additional Holiday Payment will be paid in June in the year following the prior year Reference Period and will be subject to normal deductions for tax and National Insurance.

e.g. the Additional Holiday Payment for overtime paid during the period from 1 January 2023 to 31 December 2023 will be paid in June 2024.

7. Back Payment, Variation and Termination

- (a) A one off back payment for additional holiday pay relating to Qualifying Payments during the period 1 January 2020 to 31 December 2021 will be paid to all In Scope Employees.

This one off additional holiday payment will be calculated in accordance with provisions of this Agreement and will be paid at the earliest practicable date after this agreement and will be subject to normal deductions for tax and National Insurance.

- (b) This Agreement will be subject to review and amendment in the event of changes in relevant employment legislation.
- (c) Any party to this Agreement may terminate its participation in it by giving 12 months’ written notice to the other parties. The termination will take effect on 31 December following the expiry of the notice period, and payments will be made the flowing June for that Reference Period.

Dated 1 July 2023

Transport for London

RMT

PCS

Prospect

TSSA

Unison

Unite the Union