Holiday buy/sell

Holiday buy/sell allows you to buy or sell up to one working week’s holiday, subject to your line manager’s approval and taking into account any holiday you have approval to carry over.

How does it work?

Barclays provides you with a contractual annual holiday entitlement.

If you wish, you can buy or sell up to 5 days’ holiday (subject to you taking a maximum of 35 days’ holiday a year and a minimum of 20 days’ holiday a year) provided that:

- you already have your line manager’s approval, and
- you take into account any holiday you have approval to carry over.

For example:

<table>
<thead>
<tr>
<th>If your annual leave is:</th>
<th>And you have approval to carry over:</th>
<th>The maximum number of days you can buy is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 days</td>
<td>2 days</td>
<td>3 days</td>
</tr>
<tr>
<td>27 days</td>
<td>3 days</td>
<td>2 days</td>
</tr>
<tr>
<td>30 days</td>
<td>2 days</td>
<td>3 days</td>
</tr>
</tbody>
</table>

How much does it cost?

The value of each day of holiday is worked out by dividing your Basic Salary (plus any Territorial Allowance or Additional Fixed Pay) at 1 April by 260 (the number of working days in a year).

The value is fixed for the holiday year (1 April to 31 March). The cost of buying or selling holiday will not change if your salary changes during the year. For example, if you start working part-time after buying or selling holiday as a full-time employee, the number of days/hours and the monthly cost will not be adjusted during the year. At the next annual enrolment, the value of each hour/day will be recalculated based on your new salary.

Buying holiday

If you choose to buy holiday, the value of each day of holiday will be multiplied by the number of days you want to buy and is then divided by 12 to work out the monthly cost to you (the amount of salary you will sacrifice each month).
In this example, your salary and allowances add up to £39,500, you have 25 days’ annual holiday and you choose to buy 3 additional days of holiday:

<table>
<thead>
<tr>
<th>Total holiday for the year</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of each day of holiday</td>
<td>£39,500 / 260 = £151.92</td>
</tr>
<tr>
<td>Cost of 3 days’ holiday</td>
<td>£151.92 x 3 = £455.76</td>
</tr>
<tr>
<td>Monthly cost</td>
<td>£455.76 / 12 = £37.98</td>
</tr>
</tbody>
</table>

Therefore, you would sacrifice £37.98 of your salary each month for 12 months.

Please note: If you buy holiday that you then cannot take because you didn’t obtain prior approval from your manager, or for any other reason, the cost cannot be refunded and the salary sacrifice (the amount of salary you would need to sacrifice each month for 12 months in exchange for the additional holiday) cannot be cancelled.

Selling holiday

If you were to sell 3 days’ holiday, based on the above example, you would receive an additional £37.98 each month for 12 months. This would be payable with your monthly salary and would be subject to tax and National Insurance.

Tax

Holiday buy/sell is available through salary sacrifice. This means that if you choose to buy holiday, you will sacrifice an amount of your salary equal to the value of the additional days of holiday you buy (spread over 12 months) and you will not pay income tax and National Insurance on the additional amount sacrificed.

If you choose to sell holiday, an amount equal to the value of the days of holiday you sell (spread over 12 months) will be paid with your salary and will be subject to income tax and National Insurance.

How do I enrol?

You can buy or sell holiday for the new holiday year (1 April to 31 March) via the holiday buy/sell enrolment page during the annual enrolment in March.

It’s important that you carefully consider how much holiday you will need before enrolling in holiday buy/sell, as once you have confirmed the number of days you wish to buy or sell, you cannot change this (until the next annual enrolment).
How to make your selection

1. Make sure that you already have your line manager’s approval to buy or sell holiday.

2. Click on Enrol or change benefits on the My Rewards homepage.

3. On the holiday buy/sell enrolment page, use the slider to select the number of days you want to buy or sell, then click on Select This Option. The enrolment page will update to show the number of days’ holiday you chose to buy or sell and the monthly cost to you.

   If you choose to buy holiday, the monthly cost will be the amount of salary you will sacrifice each month for 12 months. If you choose to sell holiday, the monthly cost will be the additional amount that will be paid with your salary each month for 12 months (shown as a negative amount before income tax and National Insurance have been deducted). The net pay calculator will show the estimated effect on your take-home pay.

4. When you are happy with all your benefit choices, click on Finished on any enrolment page to submit and confirm your choices.

   As part of the enrolment process, you will be asked to confirm that you have already obtained your manager’s approval to buy or sell holiday, that you have taken into account any holiday you have approval to carry over to the new holiday year and that your total holiday for the year will not fall below the minimum annual holiday allowance of 20 days or exceed the maximum annual holiday allowance of 35 days.

5. Your holiday buy or sell will apply to the new holiday year (1 April to 31 March).

FAQs

What is salary sacrifice?

Salary sacrifice means that you agree to change your contractual terms and conditions of employment so that you give up or sacrifice an amount of salary. In conjunction, you may receive an additional benefit, such as additional holiday. Typically, the amount of salary you choose to sacrifice will be equal to the value of the benefit (spread over 12 months). Where the benefit is not subject to income tax and National Insurance, such as holiday, salary sacrifice can provide income tax and National Insurance savings.

What if I go on maternity/adoption/shared parental/paternity leave?

Click here for more information.

What if I am on unpaid leave?

Your contractual annual entitlement to holiday will not change, and your choices for this benefit will still apply.

If you bought holiday, the monthly payment will stop while you are on unpaid leave and start again when you return to work. Your line manager will adjust your holiday when you come back to work to reflect the period you were away.
If you sold holiday, you will not receive the additional amount payable with your monthly salary during the months you are not receiving pay. This will be paid with your salary when you return to work.

**What if I leave?**

If you have built up any holiday (including holiday you bought) that you haven’t yet taken, you will receive the value of this holiday back into your salary (less income tax and National Insurance). If you have already taken holiday above the amount you have built up, the cost of those days of holiday will be deducted from your final salary payment.

If you sold holiday, you will be reimbursed for any outstanding amount that hasn’t yet been paid with your monthly salary.

**Who do I contact if I have a question about …?**

| Buying or selling holiday | Contact the My Rewards helpline on 0345 602 3080 (9am to 5pm, Monday to Friday) or by email (myrewards.uk@aonhewitt.com) |

This description of holiday buy/sell is accurate as at **January 2017**. For the most up-to-date version, always go to the My Rewards website.