

Final pay when someone leaves a job

1. Why final pay is often different

When someone leaves a job, their final pay will often be different from their usual weekly or monthly pay.

Someone's final pay might change because of things like:

- how much holiday they've taken
- money deducted for training courses
- redundancy pay included in final pay

Employers should make sure the person leaving understands how their final pay was calculated. For example, it should be clear in the payslip what each payment or deduction is for.

If the person leaving does not normally get a payslip

If [someone is not entitled to a payslip](#) it's a good idea for employers to explain in person or in writing any changes that affect final pay. This avoids any surprises for the person leaving and allows them to plan ahead financially.

If you have the right to a payslip and do not get one, you should speak to your employer. Find out how to [resolve an issue with your employer](#) if you still do not get one.

2. How holidays affect final pay

Employers must pay for any untaken [statutory holiday](#) built up (accrued) by someone when they leave. This is known as payment in lieu.

The person leaving took more holiday than they built up

Employers can deduct money from final pay if both:

- the person has taken more holiday than they built up
- it's agreed in the contract or in writing in advance

Use the GOV.UK calculator to [work out how much holiday](#) has been built up.

Check if the contract includes more holiday

Some employment contracts include more holiday than the minimum statutory amount. Check the contract for rules around pay for any additional amount.

3. Deductions for training courses

Employers can only deduct money for training courses if it was agreed in the contract or in writing beforehand.

For example, an employer could ask someone to agree in writing before a training course to pay back costs if they leave within 6 months.

When a deduction can take wages below the National Minimum Wage

A deduction for training courses can only take someone's pay below the National Minimum Wage if they agreed to pay back costs and either:

- chose to leave
- were dismissed because of their conduct

If someone is made redundant and a deduction for training courses would take their pay below the National Minimum Wage, employers should [speak to an Acas adviser](#) to discuss their options and make sure they do not break the law.

4. Pay during the notice period

The person leaving should be paid as normal when they're working their notice period. This includes if they're willing to work but the employer has asked them not to.

When someone is off work during their statutory notice

The person leaving normally gets full pay even if they're off during the [statutory notice period](#). This includes if they're:

- off sick
- on holiday
- on maternity, paternity or adoption leave

This could mean, for example, that someone getting Statutory Sick Pay before the notice period started would get full pay again (even if they're still off sick).

Check if the employment contract includes a longer notice period. The

rules around pay for any additional period will depend on the contract.

When someone does not get full pay when they're off

In some situations the person leaving is not entitled to full pay when they're off during the statutory notice period.

To work this out compare the length of the:

1. Contractual notice the employer must give
2. Statutory notice the employer must give

If the contractual notice period is a week (or more) longer than the statutory period, the person is not entitled to full pay.

This rule applies no matter who actually gave the notice. For example if the person leaving resigned, you still use the rule above.

If someone is not entitled to full pay, employers should pay them according to the contract or any statutory payments they're due (for example Statutory Sick Pay if the contract doesn't include sick pay).

[Speak to an Acas adviser](#) if someone is off work during their notice period and you're not sure how much to pay them.

5. If someone leaves without working their notice

The person leaving should try to reach agreement with their employer if they need to leave without working some or all of their notice.

If someone leaves without agreeing it with their employer first, they:

- normally only get paid the part of the notice they did work
- could have a court claim made against them if the employer ends up with extra costs

If they do leave, they're still entitled to payment for work they've done up to that point, including any money owed for untaken holiday.

If the employer ends up with extra costs

The employer can end up with extra costs if someone leaves before or during their notice (without agreeing it). For example, they have to spend more to hire someone else on a short-term contract. In these situations the employer can [make a court claim](#) to get the money back from the person who left.

6. If you do not agree with your final

pay

If you think your final pay is wrong, you should first try to [resolve the issue with your employer](#).

If you cannot come to an agreement with your employer, you can make a claim to an employment tribunal.

You need to [let Acas know you're going to make a claim](#). You'll be offered the option of 'early conciliation' to try and resolve the issue without going to a tribunal.

You usually need to make a claim within 3 months of the date you should have got your final pay.