The Insolvency Service

Factsheet: what to do when you've been made redundant



Case reference:

You have certain rights when you're made redundant. These include getting redundancy pay, a paid notice period and any money your employer owes you (e.g. unpaid wages).

Normally, your employer would pay you these. However, because your employer has gone insolvent you can apply to the Insolvency Service (a Government agency) for them instead.

What you can apply for

What you can apply for will depend on your circumstances. The Insolvency Service can pay:

Redundancy pay: if you've worked for your employer for at least 2 years



You have 6 months from the day you're dismissed to apply for statutory redundancy pay

- Holiday pay
- Money you're owed by your employer: for example unpaid wages, overtime, commission, etc
- Statutory notice pay: if you've worked for your employer for at least 1 month

There are caps on what we can pay you for each type of claim. Further information about how much we can pay is available on GOV.UK: <u>https://www.gov.uk/your-rights-if-your-employer-is-insolvent</u>.

How to apply:

There are 2 separate applications you have to complete. Both must be completed online.



You can't apply without a case reference number (begins CN). To get one, contact the insolvency practitioner handling your employer's insolvency.

Application 1 is for:

- redundancy pay
- holiday pay
- other money you're owed, including wages, overtime, bonuses, commission, etc

Application 2 is for:

• statutory notice pay

Application 1

Apply online from today by visiting: <u>www.gov.uk/claim-redundancy</u>

Completing an application takes between 25 and 45 minutes.

The application will ask you about your employment, so you should have information about

your salary, your holiday entitlement, your National Insurance Number, etc to hand when you go online.

The application will also ask if you want to claim compensation for loss of notice.



Ticking 'Yes' does not mean that you have applied for loss of notice compensation. You'll need to complete application 2 to receive this money.

You can only complete application 2 once your notice period ends. The Insolvency Service will let you know when this happens.

Application 2

If your employer doesn't pay you your statutory notice pay, you can apply for it using application 2. However, you can only apply once your notice period ends.

Don't worry about keeping track of when your notice period ends. We will contact you when you can apply.

Each person's notice period is different, so don't worry if we contact some of your colleagues before you.

Processing your applications

We process the 2 applications separately.

On average, it takes us 14 days to process an application and pay claims. It can take us longer if we're really busy. However, we always try to pay 95% of claims within 6 weeks of receiving the applications.



To allow us to deal with everyone's application as quickly as possible, please
do not contact us to check the status of your application until after the 6 weeks have passed.

Next steps

Because you've been made redundant, it's very important you apply for Jobseekers Allowance (JSA) or Universal Credit (UC).



Later, when we calculate your loss of notice payment, we may have to subtract the amount of JSA or UC you were eligible to receive during your notice period. We do this even if you didn't apply for either benefit.

Getting help

If you have any questions, you can contact our helpline by:

- email: redundancypaymentsonline@insolvency.gsi.gov.uk
- telephone: 0330 331 0020

Please quote your case reference number or National Insurance number when contacting us.

If you're having difficulty getting online you can:

- ask someone you know to help or check if your local library has internet access
- call 0800 771 234 to find your nearest internet location
- call our helpline