



ERA Solutions ■ employment rights in insolvency ■

UK Redundancy Payment Claims Process

A comprehensive guide to claiming redundancy payments through the Insolvency Service when your employer goes insolvent

2026 Guide

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What is the Redundancy Payment Service?

Overview

The **Redundancy Payment Service (RPS)** is run by the **Insolvency Service**, a government agency that ensures employees receive statutory payments when their employer becomes insolvent and cannot pay.

How it works

The service acts as a safety net, paying statutory entitlements from the **National Insurance Fund** when companies enter liquidation or administration, ensuring eligible employees receive owed sums.

When to claim

You can only claim through the **RPS** when your employer is formally insolvent and an **Insolvency Practitioner** has been appointed to manage the insolvency process.

Types of Payments You Can Claim

Overview of common employment payments you may be entitled to



Statutory Redundancy Pay

Available if you've worked for 2+ years. Calculated based on age and length of service (maximum 20 years) and weekly pay, capped at £719 per week to April 2026.



Holiday Pay

Covers unused holiday from the current leave year and any leave that was taken but unpaid.



Arrears of Pay

Includes unpaid wages, overtime, and commission owed for work you have completed.



Statutory Notice Pay

If you worked for 1+ month and were not paid during your notice period, you can claim via a separate RP2 form after the notice period ends.

Eligibility Criteria and Key Deadlines

Employment Status

Employment Status: You must be an employee (not self-employed, sub - contractor or casual worker) with a formal employment contract.

Service Length

Service Length: Minimum 2 years continuous service for redundancy pay; just 1 month for notice pay claims.

Critical 6-Month Deadline

Critical 6-Month Deadline: Applications must be submitted within exactly **6 months** from your dismissal date - missing this means losing your entitlement to claim Redundancy pay.

Insolvency Requirement

Insolvency Requirement: Your employer must be formally insolvent with an appointed Insolvency Practitioner handling the case.

Case Reference Number

Case Reference Number: You cannot apply without obtaining your CN reference from the Insolvency Practitioner first.

Required Information for Your Claim

Before starting your application, gather all the following information. The online form takes 25-45 minutes and can be saved midway, so prepare everything in advance.

Category	Required Information
Personal Details	National Insurance number, email address, bank/building society account details
Case Information	CN case reference number from insolvency practitioner
Employment Dates	Start date, redundancy/dismissal date, last working day, notice period details
Pay Information	Gross weekly pay OR average pay for last 12 weeks (general) and 52 weeks (holiday)
Holiday Records	Annual leave entitlement, days taken, days owed, unpaid leave taken
Arrears Details	Unpaid wages, overtime, commission (if Contractual) amounts with dates and calculation basis
Deductions	Any money you owe employer (e.g., loans, advances, season tickets)

The Complete Claims Process Step-by-Step

Step 1 – Employer Becomes Insolvent

Company enters **administration or liquidation**; an Insolvency Practitioner is appointed to handle the case.



Step 2 – Obtain Case Reference Number

Contact the Insolvency Practitioner to get your **CN reference** – you cannot proceed without this.

Step 3 – Apply for Benefits Immediately

Register for **Universal Credit or Jobseeker's Allowance immediately**; the Insolvency Service will deduct eligible amounts from notice pay.



Step 4 – Complete RP1 Form Online

Submit your claim via **GOV.UK** for redundancy pay, holiday pay, and arrears (takes 25-45 minutes, can be saved).

Step 5 – Complete RP2 After Notice Ends

After your notice period expires, the Insolvency Service will contact you to **complete the RP2 form for notice pay**.



Step 6 – Receive Payments

Payments are processed element-by-element within six weeks; **expect multiple separate payments**, not one lump sum.

Completing Your RP1 Application

Application Essentials

Access the form at [GOV.UK/claim-redundancy](https://gov.uk/claim-redundancy). The online application takes 25–45 minutes and can be saved, so ensure you have all information ready before starting. You will need your CN reference to begin and any supporting documentation to hand.

Important Application Tips

✓ Be accurate with dates and amounts; the Insolvency Service cross-checks with ERA Solutions Limited records. If your pay varied, calculate averages using 12 weeks for general pay and 52 weeks for holiday pay. Include all arrears with specific dates and calculations. Warning: incorrect entries may delay your claim.



Payment Limits and Benefit Deductions



Weekly Pay Caps

Statutory payments are capped at **£719 per week** (2025/2026 rate). This affects redundancy pay calculation. Maximum **20 years** of service count toward redundancy calculations regardless of actual service length.



Maximum Claim Amounts

Redundancy pay is calculated as: **1.5 weeks pay per year** if aged **41+**; **1 week's pay per year** if aged **22-40**; **0.5 weeks pay per year** if under **22**. Up to **8 weeks** of arrears can be claimed.



Mandatory Benefit Offsetting

The Insolvency Service legally must deduct employment-related benefits you were eligible for (like Universal Credit) from notice pay, even if you didn't claim them. This cannot be waived. **Amounts deducted will reduce your net entitlement.**



After You Apply: What to Expect

Processing Timeline

→ **Target payment within 6 weeks** of receiving a complete application and all information from ERA Solutions. Please do not contact us to check status until the 6-week period has passed. ✓ This helps the team process cases in order.

RP2 Form Timing

→ The Insolvency Service will contact you to complete the **RP2 form** for notice pay only after your statutory notice period has ended. ✓

Multiple Payments

→ You will receive **separate payments** for each element (redundancy, holiday, arrears) as they are processed, rather than one lump sum. ✓ Payments are issued individually when each element's verification is complete.

Protective Awards

→ If your employer failed to consult before redundancy, you may be entitled to additional compensation through an employment tribunal. **Protective awards** require a separate claim and legal process. ✓ Seek advice from ACAS early if consultation did not occur.



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Important Contact Information

Apply online at [GOV.UK/claim-redundancy](https://gov.uk/claim-redundancy) • For questions after 6 weeks call the Redundancy Payments

Service helpline • ERA Solutions Limited remains your first contact for case reference numbers

01827 383531

Claims@era-solutions.co.uk