



The Insolvency
Service

Factsheet: what to do when you have been made redundant

Case reference:

TBC

Insolvency date:

TBC

You have certain rights when you're made redundant including entitlement to:

- redundancy pay
- a paid notice period
- any money your employer owes you (for example, unpaid wages)

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

What you can apply for

What you can apply for depends on your circumstances.

We can pay:

- redundancy pay if you're an employee and have worked for your employer for at least 2 years. You can use the statutory redundancy calculator to calculate your entitlement. <https://www.gov.uk/calculate-your-redundancy-pay>

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

- holiday pay. This includes any leave you have not used, but you were entitled to take between the start of your holiday leave year and the date of the insolvency, and holiday you've taken but not been paid for
- money you're owed by your employer, for example unpaid wages, overtime and commission
- statutory notice pay if you have worked for your employer for at least one month

If you're a director, you may be eligible for payment if you can provide evidence to show that you're an employee of the company. Check our guidance to see if you're eligible to apply for redundancy payments as a company director: <https://www.gov.uk/guidance/check-if-you-can-apply-for-redundancy-payments-as-a-company-director>

If your pay varied

If your pay varied (you did not have a fixed salary), we'll ask you for your average rate of pay for the last 12 weeks you worked.

If your pay varied and you're claiming holiday pay, we'll also ask you [for your average rate of pay for the last 52 weeks](#). You can choose to use the information provided by the person dealing with your employer's insolvency or calculate your own 52 week average.

Irregular hours / part-year work

If you worked irregular hours or for only part of the year (like term time working), we'll ask you for the amount of holiday you built up (accrued) and are entitled to take.

You can choose to use the information the person dealing with your employer's insolvency gives us, or calculate your own using the [holiday entitlement calculator](#).

Further guidance on calculating your 52 week rate of pay is available: www.gov.uk/government/publications/holiday-pay-calculate-your-average-weekly-pay-if-it-varied/holiday-pay-calculate-your-average-weekly-pay-if-it-varied

There are limits on what we can pay you for each type of claim. Guidance on these limits is available: www.gov.uk/your-rights-if-your-employer-is-insolvent/what-you-can-get

If you are owed more than the Insolvency Service can pay, you can register as a creditor in the insolvency: <https://www.gov.uk/register-creditor-bankruptcy>

For more information on how to register as a creditor, contact the insolvency practitioner handling the case.

You can read our payment explanation guidance for more information on payment we make: <https://www.gov.uk/insolvency-service/your-redundancy-payment>

How to apply:

There are 2 online applications to complete.



You cannot claim without a CN number. If you do not have one, contact the insolvency practitioner handling your employer's insolvency.

You will not be able to apply until the date of the insolvency.

You can find the date of the insolvency on your factsheet or contact your insolvency practitioner for this information

If you apply before this date, you will see an error message when you enter your CN number.

If you're a director, before applying, make sure you have checked if you're eligible.

Claim for redundancy and other money owed is for:

- redundancy pay
- holiday pay
- other money you are owed, including wages, overtime, bonuses and commission

Claim for loss of notice pay is for statutory notice pay.

Claim for redundancy pay (and other money you are owed)

Apply online by visiting: <https://www.gov.uk/claim-redundancy>

Completing an application takes between 25 and 45 minutes.

Once you start, you can save your application and come back to it later. You will need to provide an email address to be able to save and continue later. We will also use this email address to contact you about your claim.

You will need the following information to complete your application:

- your bank account details
- your National Insurance number
- your email address
- start date of your employment
- the date of your redundancy
- the date of your last working day
- your gross rate of pay
- any breaks in employment
- the number of holiday days you're entitled to and holiday days you've taken
- details on wages and other money you're owed by your employer
- details of any money you still owe your employer (for example season ticket loans)

We need your bank details so that we can pay you. If you do not provide these, there will be a delay in processing your claim.

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

If you tick 'yes', this does not mean that you have applied for loss of notice compensation. You can only apply for loss of notice pay once your notice period ends. We will email you to let you know when you can complete the application.

You must complete the claim for redundancy pay application first even if you are only claiming for loss of notice.

If you're a director, we will need extra information from you to prove that you're an employee. You do not need to provide the extra information about your employment status with your online claim. The Insolvency Service will contact you after you submit your claim and explain what we need:
<https://www.gov.uk/guidance/check-if-you-can-apply-for-redundancy-payments-as-a-company-director>.

Claim for loss of notice (statutory notice) pay

Apply online by visiting: <https://www.gov.uk/claim-loss-notice>

You can apply for loss of notice once your notice period has expired.

Our claim for loss of notice guidance has more information about this process:
<https://www.gov.uk/government/publications/claim-for-loss-of-notice-factsheet-rp2/claim-for-loss-of-notice-pay-rp2>

You need an 'LN' reference number to make a claim. We will send this to you after you have filled in the online claim for redundancy and other money owed application.

Processing your applications

Some payments are quicker to process than others. To make sure we get money to you as quickly as possible we pay each element as soon as its ready. This means you are likely to get multiple payments from us.

We use the information you provide in your application. It's important you complete your application as accurately as possible so that we pay you the correct amount.

We expect to make payments for redundancy pay, holiday pay and arrears of pay within 6 weeks of receiving your complete application, and information from the insolvency practitioner. We will contact you if we need you to provide any further information so that we can pay your claim.

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

If you're a director of a company, the Insolvency Service will contact you before the 6 weeks to ask for extra information <https://www.gov.uk/guidance/check-if-you-can-apply-for-redundancy-payments-as-a-company-director>.

Next steps

Because you've been made redundant, it's important you apply for employment related benefits such as Universal Credit and New Style Jobseeker's Allowance.

Information about the benefits you can apply for can be found at:

<https://www.understandinguniversalcredit.gov.uk/employment-and-benefits-support/making-a-new-claim/>

Benefit calculators are available at: <https://www.gov.uk/benefits-calculators>.

When you apply for benefits, keep any letters, or take screenshots of the acceptance or rejection that confirms what you are eligible for.

Later, when we calculate your loss of notice payment, we need to subtract the amount of employment related benefits you were eligible to receive during your notice period. We do this even if you did not apply for the either benefit.

We will require evidence if you are rejected for these benefits.

Contact us with a copy of the rejection letter from the job centre or a screenshot of your online application through our online webform:

<https://www.insolvencydirect.bis.gov.uk/externalonlineforms/GeneralEnquiry.aspx>.

Cost of living support

In response to the cost of living crisis, the government is offering help for households.

[Check what cost of living support you could be eligible for.](#)

Protective awards

If your employer did not consult you before you were made redundant, you may be entitled to a compensation payment called a protective award. To get a protective award, you will need to make a claim to an employment tribunal.

You can make an employment tribunal claim online:

<https://www.gov.uk/employment-tribunals>

We have more information explaining protective awards at:

<https://www.gov.uk/government/publications/explaining-your-protective-award/explaining-your-protective-award>

Getting help

If you have any questions, contact the insolvency practitioner dealing with your case.

Further information about the redundancy payments process can be found on

GOV.UK: <http://www.gov.uk/insolvency-service/redundancy-payments>.

If you're a director check our guidance to help you know your employment status and rights: <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-rights-support-for-individuals>.

Information we collect about you

We collect data about you from the insolvency practitioner dealing with your employer's insolvency. This may include personal data. We process this information even if you decide not to go ahead with your redundancy claim.

Details of how the Insolvency Service treats your personal information can be found at: <http://www.gov.uk/insolvency-service/personal-information-charter>.