

Basic Employee Entitlements

Payable by the redundancy payments service

Arrears of pay

- Weekly limit £751 (with effect from 6 April 2026)
- Maximum claim – eight weeks
- Can include overtime, bonuses, commissions
- Can be the most beneficial eight weeks (not necessarily consecutive)
- Tax and NIC are deducted

Holiday pay

- Weekly limit £751
- Maximum claim – six weeks (accrued within the 12 months preceding insolvency)
- Tax and NIC are deducted

(For carried forward holiday, RPS will only accept max. of 1.6 weeks – anything over will be the employee's residual claim)

Statutory Notice Pay

- Based on length of service
 - One week if employed for at least one month but less than two years
 - One week for each complete year of service up to a maximum of twelve
- Notice is mitigated by income earned or received in the statutory notice period (earnings / benefits)
- Tax and National Insurance Contributions are deducted
- The weekly limit (currently £751)

Redundancy Pay

- Claims are limited to £751 per week
- No deductions for tax and NIC
- Employees must have two years' service
- Entitlement is based on age and number of years' service

Pension Contributions

- Employees' unpaid contributions for the 12 months prior to insolvency
- Employers' contributions – the lower of:
 - Unpaid contributions for the 12 months prior to insolvency
 - The amount needed for the scheme to meet its liability on dissolution, as certified by an actuary
 - 10 per cent of the employee's total pay for the 12 months prior to insolvency

Ranking of claims

Preferential

- Arrears of pay if accrued within four months preceding insolvency and limited to £800
- Holiday pay
- Pension arrears – employee contributions for 4 months prior to insolvency

Unsecured

- Arrears of pay accrued more than four months preceding insolvency and amounts in excess of £800
- Notice pay
- Redundancy pay
- Pensions arrears (employer contributions)
- Expenses (not paid by RPS)

Note: Attachment of Earnings – claimed within arrears of pay limits

19 March 2026

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