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Service

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DEAR INSOLVENCY PRACTITIONER Issue 124 – April 2021

Dear Reader

Please find enclosed the latest articles by the Insolvency Service, which include updates to the Redundancy Payment Service IP Upload Service, and an extension of the IVA Protocol COVID-19 Guidance.

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72) RPS update: From 12 April, claimants will be able to provide their 52-week average rate of pay for holiday pay when they submit their claim

From 12 April, RPS claimants with variable pay will be asked to calculate their 52-week average rate of pay and include it in their claim for redundancy related payments.

When completing the form, claimants will have the option to defer to the information provided in the RP14A if they cannot provide the information themselves.

To help claimants understand the calculation, please share our new [holiday pay guidance](#) alongside the [RP1 factsheet](#). Claimants will need to make sure they have worked out their average pay before they start the online form.

So that we can make the necessary changes, the online claim forms (RP1 and RP2) and the IP Upload Service will be unavailable from 5pm on 9 April until 9am on 12 April.

Background

In Dear IP 121, RPS wrote to you to confirm that you can now upload RP14As including the 52-week rate of pay for holiday pay through the IP Upload Service.

Since then, RPS has been updating the claimant facing guidance and online form for applying for redundancy related payments (known as the RP1).

Changes to the RP1 form

From 12 April 2021, claimants will be asked additional questions about their rate of pay for holiday pay if they say they are not on a fixed income.

Claimants will be asked to provide their 52-week average or opt to defer to the information provided by IPs in the RP14A. We have built in this option due to the inherent complexities of the calculation.

Some other sections on the form will also be updated in response to user feedback. This includes, improving the guidance, including where we ask claimants to provide their email address.

Claimants will be able to submit details of how much holiday they have remaining in either hours or days (currently they can only provide the information in days).

If they provide the information in hours, the form will convert this into days for them. Claimants will be able to see both the number of hours they inputted and the number of days this equates to on the summary page for that section of the form.

Online guidance

We're also publishing guidance on [calculating holiday pay rate of pay](#) for claimants on variable pay. This is in addition to the existing [BEIS guidance](#) and is specifically targeted towards RPS claimants.

We would be grateful if you would share either copies of, or links, to the guidance alongside [our factsheet](#) to help claimants understand their options around providing their 52 week average.

The guidance explains the calculation and that claimants have the option to defer to the RP14A information, as well as some basic worked examples of the calculation.

We are also updating the RP1 factsheet to explain to claimants about calculating average pay, and this also has the web link to the detailed guidance.

Payment letter

We have also made improvements to the content of the payment letter to make it more user friendly. This includes changes around signposting and clear explanations of the different payment components.

If you have any questions about the contents of this message, please email RPS.stakeholder@insolvency.gov.uk.

45) IVA Protocol COVID-19 Guidance extended

The IVA Standing Committee (IVASC) has agreed that guidance published on 20 April 2020, to support consumers currently in individual voluntary arrangements (IVAs) through the COVID-19 pandemic, should be extended until 31 July 2021.

The revised guidance was published on 8 April 2021 and can be found [here](#).

Supervisors should, at all times, document decisions and reasons when using the guidance.

This guidance will continue be monitored and reviewed by the IVASC and further amendments will be made where appropriate.

Enquiries regarding this article may be sent to:
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