



**The Insolvency
Service**

**Chief Executive
The Insolvency Service**
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Rt Hon Frank Field MP
Rachel Reeves MP
Work and Pensions Committee
Business, Energy and Industrial Strategy Committee
House of Commons
London
SW1A 0AA

Your ref: Carillion
Our ref: ACE/05/2018/(Carillion)
Direct line: 020 7637 6713
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Date: 15th February 2018

Dear Mr Field & Ms Reeves,

Thank you for your letter of 14th February.

Firstly, I would like to assure you that the provision of information to Carillion employees who have been made redundant is being (and has been) treated as an urgent priority both by the Official Receiver and Special Managers.

Work has been, and continues to be, progressed with a view to providing this information to affected employees. This is not just those who have sadly lost their jobs, but also the far greater number of employees who, whilst their jobs have been preserved as contracts have been transitioned to other providers, have nonetheless in law been made redundant by the Carillion entities and who are therefore entitled to make a claim under the employment rights legislation.

It is vital that when the employees are provided with information it is correct. As we are working with the records as maintained by the Carillion entities across numerous PAYE schemes; given the number of individual employees involved and the different mechanisms of remuneration (fixed salary, hourly rates etc), the task has not been straightforward. This has meant that the process has taken longer than I would have liked, but the time has been needed to ensure that the system that has been put in place will work and should ensure that employees are paid the correct amounts due to them, overall in a shorter space of time.

The Special Managers have commenced providing all the relevant information (“factsheets”) needed in order for affected employees to submit their claims, with the first tranche of factsheets having been sent yesterday (14 February) and once received by the Redundancy Payments Service (RPS) the claims will be processed and paid as expeditiously as possible.

Going forward there will be a delay of 7 days between the date of dismissal and the employee receiving their factsheet. This is to enable the Special Managers to provide data to the RPS in advance of the receipt of a claim and for that data to be subject to quality assurance. The average time for the RPS to process and pay a claim is 14 days, but the system in place here should mean that payments are made sooner. By mitigating the potential for the need for extra information to be requested and avoiding the re-work and confusion caused by under- or overpayment of entitlements due to inaccurate data, the overall experience for the employees should be quicker and smoother than might otherwise have been the case had we not spent time upfront devising and implementing a fairly bespoke system.

I trust that this assuages the Committees’ understandable concerns that the former employees are treated fairly and receive their entitlements under the employment protection legislation quickly.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Sarah Albon', written in a cursive style.

Sarah Albon

**Chief Executive
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