



The Insolvency
Service

The Insolvency Service
Cannon House
18 Priory Queensway
Birmingham
B4 6FD

Tel: 0300 678 0015

www.gov.uk/insolvency-service

L Goodwin
request-647358-9a086fee@whatdotheyknow.com

Our ref: FOI2019-168
Email: FOI@insolvency.gov.uk
Date: 25th March 2020

Dear L Goodwin

Re: Freedom of Information 2000

Thank you for your email of 17th February 2020 in which you requested from the Insolvency Service the following information: -

Please could you supply me with the following information in relation to the 2018/19 financial year:

- 1) The total value of claims paid out by the RPS?*
- 2) The total number of claims paid out by the RPS?*
- 3) The total value of claims refused for payment by the RPS?*
- 4) The total number of claims refused for payment by the RPS?*
- 5) Please can you inform me of the measures undertaken by the Insolvency Service to minimise the value of fraudulent redundancy claims paid out?*

Your request has been dealt with under the Freedom of Information Act 2000 (FOIA).

I can confirm the agency holds some of the information that you have requested however, the information you have requested is exempt from disclosure under section 12 of FOIA and your request as it stands is therefore refused.

It is estimated that the cost of complying with question 4 of your request would be over the limit, as prescribed in the Act. This is due to the information being held in a decommissioned case management system (which was replaced in March 2019), which is now out of support. To extract the information you requested the Insolvency Service would need to contract a specialist through our normal procurement channels, or look to extract information manually from individual cases, both of which would cost more than the prescribed limit.

The appropriate limit has been specified for Central Government at £600. This represents the estimated cost of one person spending 24 hours in determining whether the Service holds the information, and locating, retrieving and extracting the information.

Under section 12(1) of the Freedom of Information Act the Insolvency Service is not obliged to comply with your request and we will not be processing your request further.

From your current request I am unable to suggest how to narrow the scope of your request, I have provided you with some information outside of FOIA as detailed below to assist you with your query:

Question 1 and 2

This information is already publicly available from our Annual Reports and Accounts 2018-2019. For number of claims please see page 9 and for the total value of claims in the Insolvency Service see page 71. The Annual Reports and Accounts can be accessed via the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819832/CCS0519204972-001_Insolvency_Service_ARA_2018-19_Web_Accessible.pdf

Question 3

The Insolvency Service does not hold the information you have requested.

Question 5

Our Redundancy Payment Service (RPS) requires that each application for payments which it receives is validated, either by an Insolvency Practitioner, the individual applicant or by a court of law.

The validation from an Insolvency Practitioner (IP) comes in the form of a qualified statement of debt taken from the employer's records. It is the IP's legal responsibility to provide the Secretary of State with a detailed statement of the debt due to each employee. This legal obligation is outlined in section 187 of the Employment Rights Act 1996. The RPS conducts regular inspections of insolvent employer's wage records to ensure the IP is reporting correct information.

Where an IP is unable to provide this validation (such as when the company records have been destroyed or are otherwise unobtainable), the obligation to validate an application is passed onto the applicant. The applicant is required to submit documentary evidence to support their application.

In cases where neither the IP nor the applicant can provide substantive evidence to support an application, the applicant is referred to an Employment Tribunal where the court will decide on the validity of the application.

The Insolvency Service utilise various measures and perform a number of checks, including with Other Government Departments, on the data provided to us by the claimant and Insolvency Practitioner to prevent, deter and detect fraud. The Insolvency Service has a zero-tolerance approach to fraud

If you have any queries about this letter, please contact me. Please remember to quote the reference number above in any future communications.

If you are not satisfied with the response we have provided you and would like us to reconsider our decision by way of an internal review (IR), please contact our Information Rights Team at foi@insolvency.gov.uk or by post at:

Information Rights Team
The Insolvency Service
3rd Floor
Cannon House
18 Priory Queensway
Birmingham
B4 6FD
United Kingdom

You also have the right to contact the Information Commissioners Office (ICO) if you wish for them to investigate any complaint you may have regarding our handling of your request. However, please note that the ICO is likely to expect an IR to have been completed in the first instance.

Kind regards

Information Rights Officer
Information Rights Team
The Insolvency Service

The Department for Business, Energy and Industrial Strategy, Official receivers and the Adjudicator are Data Controllers in respect of personal data processed by the Insolvency Service. For the details about how personal data is processed by the agency, please see the full Insolvency Service Personal Information Charter here: <https://www.gov.uk/government/organisations/insolvency-service/about/personal-information-charter>