



**An Roinn Coimirce Sóisialaí
Department of Social Protection**

www.welfare.ie

**Department of Social Protection response to Target
Express/Asda Properties closures**

31th August 2012

The Department of Social Protection wishes to reassure employees of Target Express and Asda Properties that the Department will continue to work with them to ensure that their needs are met through pro-active and timely access to a range of income maintenance, money advice and employment support services.

The Department has made contact with both Grant Thornton and BDO who are the liquidators to Target Express and Asda Properties to establish numbers of employees affected and geographic details. Appropriate supports to employees will be co-ordinated nationally and delivered through the Department's Divisions. The first meeting with employees is scheduled to take place in Cork on Tuesday.

Employees should note that it is not necessary to have a P45 at the time of application for jobseeker's payment, and for award of claim. As the facts of this case are known, it is clear that the employment has ceased. If a person satisfies all of the relevant conditions, jobseeker's payment will be made.

Claims for jobseeker's payments, which have already been made to the Department of Social Protection by employees of Target Express and Asda Properties, have been processed in the normal way.

For those whose income is insufficient to meet their needs, emergency payments may be available under the Department's Supplementary Welfare Scheme. Information about Supplementary Welfare Allowance and other social welfare payments is available at www.welfare.ie or at Social Welfare Local Offices nationwide.

Notes to Editors:

Details regarding Redundancy payments are set out in Appendix 1.

Appendix 1

<p>Note for Information in relation to the Redundancy & Insolvency Payments Scheme where an employer is in liquidation</p>

REDUNDANCY PAYMENTS SCHEME

- The primary purpose of the redundancy payments scheme is to compensate workers, under the Redundancy Payments Acts, 1967 to 2011, for the loss of their jobs by reason of redundancy.
- It is the responsibility of the employer to pay statutory redundancy to all eligible employees. An employer who pays statutory redundancy payments to its employees is then entitled to a rebate of a proportion of the statutory element of the redundancy payment being made from the State.
- Where an employer can prove to the satisfaction of the Department of Social Protection that it is unable to pay the statutory redundancy to its

eligible employees the Department will make lump sum payments directly to those employees and will seek to recover the debt from the employer.

- To prove inability to pay the employer must submit documentary evidence to confirm that this is the position.

Eligible employees

In order to qualify for a redundancy payment, an employee must;

- have at least two years continuous service;
- be in employment which is insurable under the Social Welfare Acts (i.e. paying Class A PRSI contributions);
- be over the age of 16; and
- have been made redundant as a result of a genuine redundancy situation meaning that the job no longer exists and he/she is not replaced.

Amount of payment

- Under the Redundancy Payments Acts an eligible employee is entitled to two weeks statutory redundancy payment for every year of service, plus a bonus week.
- Compensation is based on the worker's length of reckonable service and reckonable weekly remuneration, subject to a ceiling of €600 per week.

How to apply

- Applications for redundancy payments should be submitted online via the Department's website at www.welfare.ie.
- When submitted, the application form must be printed down, signed by both the employee and employer, and forwarded to Redundancy Payments Section; Department of Social Protection; Block C, Earlsfort Centre; Lower Hatch Street; Dublin 2.

INSOLVENCY PAYMENTS SCHEME

- The purpose of the Insolvency Payments Scheme, which operates under the Protection of Employees (Employers' Insolvency) Act, 1984, which, in turn, derives from EU Council Directive 987/80, is to protect certain outstanding pay-related entitlements due to employees in the event of the insolvency of their employer.
- These entitlements include wages, holiday pay, sick pay, payment in lieu of minimum notice due under the Minimum Notice & Terms of Employment Acts, 1973-2001, and certain pension contributions.

Eligible employees

The Scheme covers employees who are:

- In employment which is insurable for all benefits under the Social Welfare Acts (in general this means employees who pay full (Class A) PRSI contributions)
- Between 16 and 66 years of age or, if over 66 years, in employment which, but for their age, would be insurable for all benefits under the Social Welfare Acts.

Amount of payments

- Payments are calculated by reference to an employee's wages and are subject to a limit of €600.00 per week (applicable from 1 January 2005)
- Arrears of wages, sick pay, holiday pay and minimum notice are limited to 8 weeks.

How to apply

- All applications for entitlements under the insolvency payments scheme must be made by the employer representative and submitted on-line at www.welfare.ie
- The employer representative should examine the claim(s) and certify the amount owed to the employee in accordance with the company records. Once submitted, the form should be printed, signed (original signatures

only) and forwarded to the Insolvency Payments Section Floor 3, Department of Social Protection, Block C, The Earlsfort Centre, Lower Hatch Street, Dublin 2.

- Applications should be accompanied by Notice of Appointment of Liquidator/Receiver and a copy of the Statement of Affairs where available. Additional information is required with applications for payment of outstanding contributions to a pension/Personal Retirement Savings Account.

ENDS