

# **EMPLOYMENT TRIBUNALS**

Claimants: Ms C Baldwin and others

**Respondents**: 1. Mortimer Management Group Limited (in Administration)

2. Sweetcroft Limited

3. The Secretary of State for Business, Energy and Industrial

Strategy

4. The Jewellery Outlet Limited

**HELD AT:** Nottingham **ON:** 9, 10 + 11 December 2019

**BEFORE:** Employment Judge Batten (sitting alone)

### **REPRESENTATION:**

For the Claimants: Ms N Toner, Solicitor For the Respondents: Mr J Crozier, Counsel

**JUDGMENT** having been sent to the parties on 13 December 2019 and written reasons having been requested in accordance with Rule 62(3) of the Employment Tribunals Rules of Procedure 2013, the following reasons are provided:

# **JUDGMENT**

- There was a transfer of an undertaking on 19 February 2019 when part of the business of Chapelle was purchased by the second respondent from the first and fourth respondents;
- 2. Save for the managing director of the first respondent, Mr Anthony Richards, who was not assigned to the economic entity which transferred, all of the other claimants were assigned to the part of the business of Chapelle which transferred to the second respondent.

# **REASONS**

## **Background and Issues**

- The 12 claimants bring claims of unfair dismissal and for redundancy pay, notice pay, holiday pay, wages and other monies owed, together with claims for a protective award and of failure to inform and consult pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE"). On 5 September 2019, at a preliminary hearing, a number of claims brought by employees in Northern Ireland shops against the respondents were struck out.
- 2. This preliminary hearing was listed to decide a number of preliminary issues in relation to a potential TUPE transfer.
- 3. The Tribunal was provided with an agreed bundle of documents relating to the preliminary issues.
- 4. On behalf of the claimants, Mr Anthony Richards, the former Managing Director of the first respondent and Mr Neil Smith, the former Head of Merchandising and IT, each tendered a written witness statement and gave oral evidence. Another 7 claimants tendered witness statements but did not attend the preliminary hearing to give oral evidence. 3 claimants did not tender a witness statement.
- 5. The respondents called as witnesses: Mr Jeremy Hinds, the Marketing Director of F Hinds Limited; and Mr Paul Hinds, the IT Director of F Hinds Limited, a company that has taken over the business of the respondents.

#### The issues to be determined

- 6. A list of issues was drawn up at the case management preliminary hearing on 5 September 2019. After discussion at the commencement of this preliminary hearing, the list of issues was amended and agreed as follows:
  - 6.1 Was there an undertaking business or part of an undertaking or business situated in the UK immediately before the transfer?
  - 6.2 Was there an economic entity before the transfer, i.e. an organised grouping of resources which had the objective of pursuing an economic activity whether or not that activity is central or ancillary?
  - 6.3 Was there a transfer of that economic entity from the first respondent and/or the fourth respondent to the second respondent?
  - 6.4 Has the economic entity retained its identity post transfer?

- 6.5 Were the claimants or each of them employed by the transferor immediately before the transfer?
- 6.6 Were the claimants or each of them assigned other than on a temporary basis to the organised grouping of resources that is subject to the transfer?

## Findings of fact

- 7. The Tribunal made its findings of fact on the basis of the evidence before it, including contemporaneous documents where they exist and the conduct of those concerned at the time. The Tribunal resolved such conflicts of evidence as arose on a balance of probabilities taking into account its assessment of the credibility of witnesses and the consistency of their evidence with surrounding facts. The findings of fact relevant to the preliminary issues are as follows.
- 8. "Chapelle" is a business which sells jewellery and watches through retail stores based in outlet shopping centres, as opposed to the high street, across the UK. The Chapelle business was run through 2 companies: the first respondent, which conducted the head office functions and also the wholesale/warehousing for all the stores; and the fourth respondent, through which the stores were operated. The Chapelle business also had a website for online sales which was run from the head office.
- 9. Although they were separate companies, the first and fourth respondents traded together under the trading style of "Chapelle" or "Chapelle Jewellery". There were in total around 190 employees, of which 22 were employed at head office and the rest were employed in the 24 stores. To the outside world, the business was known as "Chapelle" and to the outside world the business is still known as "Chapelle".
- 10. The 12 claimants were all employed by the first respondent at its head office in Nottingham and they performed administrative and other functions for the stores. The employees who worked in the stores were employed by the fourth respondent.
- 11. The second respondent is a company within the F Hinds jewellers group of companies. F Hinds is a well-known high street name.
- 12. On 14 January 2019, the first and fourth respondents went into insolvent administration. The Managing Director and senior employees worked with the administrators to find a buyer for the Chapelle business, which continued to trade during the administration and thereafter, without interruption. The F Hinds group of companies was approached by the administrators who enquired about whether it would be interested in a potential purchase of the Chapelle business because it had, some years before, expressed an interest in purchasing the Chapelle business.
- 13. On 23 January 2019, Hinds Ltd, on behalf of the F Hinds jewellers group of companies, wrote to the administrators to make an indicative offer to

purchase the assets of the Chapelle business. The letter is headed "Mortimer Management Group Limited & The Jewellery Outlet Limited T/A Chapelle (together "the Group")". Hinds Ltd wrote to say that the purchase would be through one of the subsidiary companies in the F Hinds jewellers group of companies (being the second respondent) and that it would want to retain as many retail sites as were financially viable, and that it would like to continue to trade on the existing website. Hinds Ltd also stated that it would consider the relocation of any staff that it deemed were strategic and/or beneficial to the business to its Uxbridge HQ.

- 14. The enquiries made by Hinds Ltd on behalf of the F Hinds group of companies revealed that a number of the Chapelle stores were not making any money. Therefore, Hinds Ltd focussed their interest on the profitable parts of the Chapelle business which comprised 12 of the stores and the online website presence. In the course of enquiries made prior to the purchase of the Chapelle business from the administrators, a number of Chapelle's head office staff were called to the Hinds group head office in Uxbridge to provide information about the Chapelle business and how it operated.
- 15. On 19 February 2019, the administrators of the first and fourth respondents sold part of the Chapelle business to the second respondent.
- 16. The Sale Agreement appears in the bundle of documents prepared for this preliminary hearing. It is expressed to be an agreement relating to the sale of assets and the business of the first and fourth respondents (in administration). The parties to the Sale Agreement are: (1) the first and fourth respondent who are jointly described as the Seller; (2) the administrators; and (3) the second respondent which is the Buyer. The "Business" which was purchased by the second respondent is described in the Sale Agreement as "the business of retail jewellery carried on by the Seller".
- 17. The second respondent took over 12 of the Chapelle stores that it had selected and the Chapelle website. The second respondent was granted licences in relation to the 12 shop premises whilst arrangements were made for the respective leases to be transferred into the second respondent's name. The second respondent bought all of the stock in all of the Chapelle stores, that is to say not just the stock of the 12 stores that it took over but also the stock of those Chapelle stores which the second respondent did not take over and which were subsequently closed by the administrators. The stock which had been held at head office in the warehouse, was also included in the sale.
- 18. The Chapelle brand name and logo, intellectual property rights and promotional material were included in the sale and the second respondent took stationery relating to the brand and logo.
- 19. Customer contracts were said in the Sale Agreement to novate to the second Respondent. However, the second respondent did not acquire the book debts of the Chapelle business.

20. The Sale Agreement also provides that certain employees would transfer, namely those predominantly or exclusively working in the 12 stores which the second respondent took over. The Sale Agreement states that the parties agree that TUPE would apply to the arrangements for those employees. However, the Sale Agreement specifies that the Area Manager, David Millington, would not be taken on by the second respondent. Other employees, including all those employees who worked in the stores that were closed, and also some of the claimants, were dismissed at the time of the Sale Agreement.

- 21. Certain assets of the Chapelle business were excluded from the sale including the head office, which is defined as the Seller's head office located in Nottingham. It is not immediately clear whether "the head office" means simply the premises but subsequent parts of the Sale Agreement suggest that it does so mean.
- 22. In addition, a "Transitional Services Agreement" was drawn up between: (1) the first and fourth respondents, jointly described as the Supplier: (2) the administrators; and (3) the second respondent which is called the Recipient. The Transitional Services Agreement provides for arrangements and services between the parties for a transition period after the sale of the Chapelle business to the second respondent largely in order to ensure business continuity.
- 23. Those Chapelle employees who were not immediately dismissed and who did not work in the 12 shops taken over by the second respondent, were retained by the administrators to assist with the handover of the Chapelle business to the second respondent. This remaining group of employees were dismissed in stages over a period of 6 weeks after the sale to the second respondent. In that period, the second respondent indemnified the administrators for employee costs during the transition period.
- 24. Both the Chapelle website and the 12 surviving Chapelle stores continue to trade under the Chapelle brand name and logo which is unchanged, albeit that F Hinds' logo has been added to the Chapelle website. The Chapelle business has been integrated into the F Hinds jewellers group of companies. Since the purchase, the second respondent has recruited 2 of the former Chapelle store managers to be managers in F Hinds' stores in Blackpool and Hertford.

#### The law

- 25. The Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") provide:
- 26. A relevant transfer is defined in Regulation 3 as follows:
  - (1) These Regulations apply to
    - (a) a transfer of an undertaking, business or part of an undertaking or business situated immediately before the transfer in the United Kingdom

to another person where there is a transfer of an economic entity which retains its identity;

. . . .

- (2) In this regulation "economic entity" means an organised grouping of resources which has the objective of pursuing an economic activity, whether or not that activity is central or ancillary.
- 27. In Cheesman and others v R Brewer Contracts Ltd [2001] IRLR 144 guidance was given as to what constitutes an undertaking for the purposes of a TUPE transfer. An economic entity can be an organised grouping of persons and of assets, sufficiently structured, stable and autonomous, so as to enable (or facilitate) the exercise of an economic activity which pursues a specific objective.
- 28. As to whether there has been a transfer of an undertaking, <u>Cheesman</u> held that the decisive criterion is whether the entity in question retains its identity post transfer, in that its operation is actually continued or resumed.
- 29. Whether the entity retains its identity or not depends on the factors to be assessed as listed in <u>Spijkers v Gebroeders Benedik Abattoir CV and another [1986] 2 CMLR 296</u>. These factors include the type of undertaking or business concerned, the tangible assets that transfer, the proportion of employees assigned to the undertaking who are taken on by the transferee, whether customers transfer, similarities between the activities before and after transfer and any period during which the activities are suspended.
- 30. TUPE Regulation 4 provides:
  - (1) ... a relevant transfer shall not operate so as to terminate the contract of employment of any person employed by the transferor and assigned to the organised grouping of resources or employees that is subject to the relevant transfer, which would otherwise be terminated by the transfer, but any such contract shall have effect after the transfer as if originally made between the person so employed and the transferee.
- 31. Whether an employee is assigned to the undertaking which transfers is a question of fact. In <u>Duncan Webb Offset (Maidstone) Limited v Cooper and others [1995] IRLR 633</u> a number of aspects were identified for consideration including the amount of time spent on one part of the business by an employee, the terms of the employee's contracts describing what employees could be required to do and how the costs of employees' services had been allocated. However, if an employee's role is strategic or directed to the survival and maintenance of the transferor as a whole, it may not be that such an employee was assigned to the undertaking which transfers.
- 32. The Tribunal considered a number of cases to which it was referred by the parties in submissions. Those cases included:

Playle and others v Churchill Insurance Group Limited and others EAT/570/98:

Plessers v Prefaco NV C-509/17 ECJ

Buchanan-Smith v Schleicher and Co International Limited EAT/1105/94;

MRS Environmental Services Limited v Dyke and another EAT/93/96;

<u>Camden Primary Care Trust and University College London v Skittrall and others EAT/0078/05;</u>

Spaceright Europe Limited v Baillavoine and others [2011] EWCA Civ 1565; Klarenberg v Ferrotron Technologies GmbH [2009] ICR 1263 ECJ;

Merckx and another v Ford Motors Company (Belgium) S.A. [1997] ICR 352;

Edinburgh Home-Link Partnership and others v The City of Edinburgh Council and others EAT/0061/11;

ADI (UK) Limited v Willer and others [2001] IRLR 542; and

Fairhurst Ward Abbotts Limited v Botes Building Limited [2004] ICR 919.

The Tribunal took those cases as guidance and not in substitution for the provisions of the relevant statutory provisions.

#### **Submissions**

- 33. The Solicitor for the claimants tendered a written skeleton argument and made a number of detailed submissions which the Tribunal has considered with care but does not rehearse in full here. In essence it was asserted that all claimants were assigned to the Chapelle business, that the second respondent had purchased the Chapelle business and made efforts to avoid the effects of TUPE by cherry -picking stores and denying the work done at head office.
- 34. Counsel for the respondents also tendered a written skeleton argument and made a number of detailed submissions which the tribunal has considered with care but does not rehearse in full here. In essence it was asserted that whilst the staff in the 12 stores were assigned to the undertaking which transferred, those at head office were not, as the second respondent only acquired those 12 stores, and that other assets procured under the Sale Agreement were of minimal significance to the overall bargain. It was also submitted that, while the activities performed by the head office may have been subsequently performed, those head office functions did not form part of the economic entity that transferred and so the claimants were not employed by the transferor immediately before the transfer. In the alternative, the Tribunal was invited to examine the individual circumstances of the claimants to determine whether their functions were assigned.

**Conclusions** (including where appropriate any additional findings of fact)

- 35. The Tribunal has applied its relevant findings of fact and the applicable law to determine the issues in the following way.
- 36. Was there an undertaking, business or part of an undertaking or business situated in the UK immediately before the transfer: The Tribunal answered this question in the affirmative. The business or undertaking was the

business of Chapelle which was conducted through the first and the fourth respondents, trading together. The letter dated 23 January 2019, from Hinds Limited to the administrators, recognises this by referring to the 2 companies as 'together the Group', being the 2 companies without any division between them. Counsel for the second respondent sought to pursue an argument that they were separate and distinct. However, beyond the fact of registration as 2 separate companies, the Tribunal considered that no other distinction is apparent. Taking account of the factors in Cheesman. the Tribunal considered that 'Chapelle' was and still is a stable economic entity, an organised grouping of employees and assets which enables and facilitates the pursuit of the objective of selling jewellery and watches through outlet stores and at a discount. The Chapelle business was carefully structured through the 2 companies trading as a group; it was an autonomous business with significant assets applied to a common task. The identity of the economic entity is "Chapelle" and that identity is formed by the permanent workforce and management staff, the way in which the work was organised through a head office and a hierarchy of management extending into the shops through an area manager and store managers, the operating methods being through the centralised purchase of stock and the warehousing of that stock for all stores together, with common operational resources available to the business through head office functions, the website and in the stores. The scope of the undertaking therefore includes the head office and administrative functions to support the retail activity for which the business is operated.

- 37. Was there an economic entity before the transfer i.e. an organised grouping of resources which had the objective of pursuing an economic activity, whether of not that activity is central or ancillary? The Tribunal answered this question in the affirmative. The economic entity is the business known as Chapelle, comprising the first and fourth respondents together, as an organised grouping of resources, joined in the common purpose of the business, for the reasons given above. The objective has been and is the pursuit of the economic activity of selling jewellery and watches specifically through outlet shopping and a website, specialising in discounting or in selling discounted stock.
- Was there a transfer of that economic entity from the first and/or the fourth 38. respondent to the second respondent? The Chapelle business is throughout the documentation before the Tribunal described as the business of both companies, the first and fourth respondents. It is not divided and as said above, the Hinds Limited letter of 23 January 2019 to the administrators acknowledged that position. The Sale Agreement is expressed to be in relation to a sale by the first and fourth respondents jointly, to the second respondent. Witnesses on both sides referred to the business as "Chapelle". They did not say refer to the first respondent or the fourth respondent nor did any witness make a distinction between those companies. It has been suggested that the fact that the 2 companies were separate costs centres within the accounting process of the Chappelle business is significant. The Tribunal did not consider this to be a fundamental factor in the analysis of what constitutes an economic entity in this case.

- 39. Counsel for the respondents sought to suggest that only the fourth respondent and its assets transferred. The Tribunal has rejected that suggestion, taking the view that if that was the case, there would have been a sale from the fourth respondent only, and the first respondent would not have been involved. All the documentation suggests otherwise. In addition, the Tribunal concluded that the second respondent wanted to purchase more than just the 12 stores. It is correct to say that certain assets were excluded from the sale but the tribunal considered that such were not key assets. The key assets were the 12 profitable shops, the Chapelle website, the business knowhow and the stock. The Chapelle business operated in an area of jewellery selling which the Respondents' witnesses candidly accepted was new to them and something that they were not familiar with. In those circumstances, the tribunal considered that the second respondent sought to purchase the business of Chapelle albeit that it only wanted to acquire the profitable element, being the stores and the website. Effectively, the second respondent has bought part of the Chapelle business in terms of buying only certain of the vehicles for conducting the retail activity. However, the Chapelle business includes the head office and administrative functions without which the stores cannot operate and which the Hinds group has taken over. In that case, head office administrative activities and the staff who carry out those aspects of the business must be in scope for transfer. Mr Paul Hinds, in his evidence, referred to "the Chapelle head office" on several occasions and he suggested that the relocation of some of the Chapelle head office staff had at one time been considered. Mr Jeremy Hinds acknowledged in his evidence that the Chapelle head office functions were important and he confirmed that the Hinds group would need to cover those activities within its own existing resources, the logic being that if Hinds could not cover some of the Chapelle head office activities the second respondent might have taken on some of the claimants, in particular as the website transferred: a number of the Chapelle head office staff performed work relating to the website and, as such, the tribunal considered that those staff come within scope to transfer. In light of the above, the Tribunal concluded that there was a transfer of the economic entity, the Chapelle jewellery business, comprising the first and fourth respondents jointly, to the second respondent.
- 40. Has that economic identity retained its identity post transfer? The Tribunal considered this question in two parts. First, it is apparent that the undertaking or economic entity has retained its identity: the second respondent continues to conduct the business under the Chapelle branding. The Chapelle website was temporarily suspended whilst the platform changed but it continues largely as before. Beyond the change of website platform there has been no evidence of any or any significant changes to the online sales function through the website. The stores continue as "Chapelle" stores.
- 41. Secondly, the tribunal considered whether the entity transferred as a going concern. The Tribunal noted that the Chapelle retail business operation continued to trade throughout the period of administration and post-sale without any suspension of the business or changes to it. The tribunal was

told that the second respondent, and the administrators, were concerned to keep the head office staff "on side" as a means to preserve the business and protect its value and goodwill. The Tribunal appreciated that the business was only valued at £1.00, such that the outside world and any customers would be unaware of the insolvency or commercial issues in the background. To all intents and purposes, the Chapelle business activities carried on in the same manner before and after the sale to the second respondent. Tangible assets did transfer including the 12 stores and the stock from all of the Chapelle stores and in the warehouse at head office. together with the website and intellectual property, logo and marketing materials. A significant number of employees who worked in the 12 profitable stores did transfer to the second respondent and continue to work in those stores. The Tribunal was not provided with evidence from any party as to the number of employees who did, in fact, transfer or what proportion of the total of 190 employees those transferring employees comprised. It was not disputed that there had been 24 stores and 12 of them were acquired by the second respondent. However, it does not necessarily follow that half of the employees transferred. The Tribunal was not told about the sizes of the stores, the amount of stock sold through each store, or their staffing. It is agreed that the 12 stores were the profitable stores, and presumably therefore generated the majority of the profit earned by the stores for the Chapelle business. However, in terms of economic worth, the Tribunal was unable to establish precisely what proportion of the business is represented by the 12 stores.

- 42. The Sale Agreement provides that customer contracts are novated to the Buyer. The Chapelle business has become part of the F Hinds jewellery business group but it sits in the group as a distinct business which focusses on outlet shopping and discounting only. The Tribunal heard evidence suggesting that the likely customers of Chapelle were viewed as a distinct type of customer and that customers of the outlet stores behaved differently to customers on the high street and that there was no significant online presence in comparison to the shops. Both the website and the surviving stores continue to trade under the Chapelle brand name, with the logo unchanged. However, the Tribunal accepted that it is entirely possible that other business in the F Hinds jewellers group may have benefited from contact with customers of the outlet stores via marketing or through the Chapelle website.
- 43. The Chapelle business has now been integrated into the F Hinds jewellery business group but it sits in the group as a distinct business and focusses on outlet shopping and discounting only. There were changes to the Chapelle business operation in that head office functions were relocated to the Hinds' head office in Uxbridge and administrative functions such as payroll were integrated within the Hinds' existing operations. However, the Tribunal did not consider these factors to be enough to preclude a finding of a TUPE transfer. The Tribunal concluded that the business of Chapelle has retained its identity and is carried out in very much the same way as before. The fact that an economic entity that has transferred may be absorbed into the transferee's existing operations does also not preclude TUPE from applying. Otherwise TUPE could be easily avoided by virtue of

integration, which is a natural consequence of many business acquisitions which benefit from economies of scale. In this respect, the Tribunal noted case of Klarenberg v Ferrotron Technologies GmbH [2009] ICR 1263 ECJ to which it was referred, to the effect that the requirement for an economic entity to retain its identity, for the purposes of a finding that the transfer fell within the scope of the directive, and therefore within TUPE, need not entail the retention of the entity's pre-transfer organisational structure or organisational autonomy. The second respondent submitted that the transfer in this case should be viewed as establishing a new and narrower undertaking around the 12 stores. That might have been a forceful argument if only the 12 stores transferred but the tribunal did not consider such to be the whole picture. The Chapelle website and head office functions which were integral to the operation of those 12 stores also transferred. In any event, had further stores been profitable, the Tribunal considered that such would also have been part of the transferring assets.

- The second respondent also submitted that what took place could be 44. described as a "transfer of part" as in the case of Fairhurst Ward Abbotts Limited v Botes Building Limited [2004] ICR 919. The Tribunal considered that argument carefully but was not persuaded, in the circumstances of this case, that it could conclude that the economic entity has not therefore retained its identity. The Tribunal rejected the submissions of Counsel for the second respondent, that the head office roles of certain claimants, for example. Ms Impy, who dealt with the administration of stock purchase and distribution, formed no part of the economic entity which transferred. The Tribunal considered that such a role was part of the operation of the economic entity which transferred and was performed post-transfer. The 12 stores had to be serviced and, in his evidence, Mr Jeremy Hinds agreed that such a role could and would be taken over by the staff at Hinds' head office. In any event, the second respondent availed itself of the business knowledge of the Chapelle head office through its use of those Chapelle head office staff who were retained through the transition period to facilitate the handover and to ensure that business processes continued without interruption. The administration of Chapelle continued, ultimately to be performed but by individuals employed by F Hinds. In all those circumstances, the Tribunal considered that the Chapelle business retained its identity post transfer, even though the head office functions became integrated into the F Hinds head office.
- 45. Were the claimants, or each of them, employed by the transferor immediately before the transfer? For all the reasons given above, the tribunal concluded that they were. The claimants were employed by the first respondent which the Tribunal has found to be the transferor operating jointly with the fourth respondent to sell the Chapelle business.
- 46. Were the claimants, or each of them, assigned (other than on a temporary basis) to the organised grouping of resources that is subject to the transfer? This is essentially a question of fact. The Tribunal noted that a number of the Chapelle head office staff were senior managers who performed what might be said to be strategic roles involving the maintenance of the Chapelle organisation itself. Whilst the economic entity of the Chapelle business has

retained its identity post-transfer, it is in a different form to before; for example, it comprises only 12 of the 24 stores. The Tribunal gave careful consideration to the position of the senior managers and took account of the decision in the case of Buchanan-Smith v Schleicher and Co International Limited EAT/1105/94. In that case, the service part of a business transferred and the sales part ceased to trade. The claimant was found to have transferred by operation of TUPE despite that she did not work in the service part. The Tribunal therefore accepted the claimants' submissions that, if there is a sale of part of a business, and the rest of the business closes. then the claimants can be assigned to the transferring entity in the absence of there being anything else to employ them.

47. However, the Tribunal considered that the position of the managing director of the first respondent, Mr Richards, was different to that of the other claimants. Mr Richards tendered a witness statement, and the Tribunal heard evidence from him to the effect that he was a board member and answerable not only to the board of the first respondent but also to the board of another company HUK 29 Limited of which he was also a board member, which had bought the Chapelle business in 2016. The Tribunal considered that Mr Richards' position was that of somebody who was involved much more on a strategic level having regard to those 2 companies' interests. rather than being assigned specifically to the retail side of Chapelle. His remit was akin to general business development rather than only or specifically the 29 stores and the website which existed. circumstances, the Tribunal considered Mr Richards' role to be unique and different, not just because he was the Managing Director of the first respondent but because he was also answerable to another corporate entity. He said in evidence that he was obliged to carry out duties on behalf of the fourth respondent as and when necessary acting either as an officer or consultant. In addition, Mr Richards had a mobility clause in his contract, which enabled those to whom he was answerable to alter his place of work to any other place within England and Wales and he was required to travel nationally and internationally on business. The Tribunal considered that Mr Richards' remit extended beyond the Chapelle brand to include a business development remit for a third party and/or funder. On that basis, the tribunal could not conclude that Mr Richards could be said to be assigned to the part of the Chapelle business which transferred to the second respondent. His position is in contrast to the rest of the claimants who, following Buchanan-Smith v Schleicher and Co International Limited EAT/1105/94, the Tribunal found to be assigned to the organised grouping of resources that transferred in this case.

**Employment Judge Batten** 

Date: 5 March 2020

REASONS SENT TO THE PARTIES ON
06/03/2020
FOR THE TRIBUNAL OFFICE

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