

EMPLOYMENT TRIBUNALS (SCOTLAND)

Case No: 4111030/2018 Held in Glasgow on 12 October 2018 Employment Judge: Michelle Sutherland (sitting alone) Angela Smith

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**UDC Services Limited** 

Respondent No appearance

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# JUDGEMENT OF THE EMPLOYMENT TRIBUNAL

The judgement of the Tribunal is that -

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- The claim for breach of contract through failure to give statutory notice of termination succeeds and the Respondent is ordered to pay the Claimant the sum of £1,080 (gross).
- 2. The claim for statutory redundancy pay succeeds and the Respondent is ordered to pay the Claimant the sum of £1,080 (gross).

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- 3. The claim for holidays accrued but taken at the termination date fails and is dismissed.
- 4. The sums are to be paid without deduction and it is for the Claimant to account to the Inland Revenue for any income tax and national insurance due.

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# REASONS

# Introduction

- 1. The Claimant presented complaints of failure to pay redundancy pay, holiday pay and notice pay.
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  - 2. The Claimant's complaints were heard together with those of Mrs Mary Odonnel Case Number 4111028/2018.
- 3. A final hearing was held on 12 October 2018. The Respondent did not attend io having advised previously that they would not be in attendance.
  - 4. The Claimant and Mrs Mary Odonnel lodged a set of productions.
- 5. The Claimant and Mrs Mary Odonnel gave evidence on their own behalf.
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6. The Claimant did not make written or oral submissions.

# Findings of Fact

- 7. The tribunal makes the following findings of fact -
- 20 8. The Claimant was employed by the Respondent from 10 March 2012 until her termination effective 22 June 2018. The Respondent provided domestic cleaning services in Lanarkshire and the Claimant was employed by them as a domestic cleaner.
- 25 9. During her employment with the Respondent, the Claimant worked 23 hours a week Tuesday to Friday and was paid the national minimum wage, latterly £180 a week gross. The Claimant was not provided with a written contract by the Respondent.
- 3010. The Respondent operated the holiday year in line with the financial year from 5 April to 4 April. There was no specified contractual holiday entitlement. The Claimant had 4 days holiday in the period 5 April 2018 to 22 June 2018.

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- 11. The Respondent took the decision to cease trading following the loss of a client. On 22 June 2018 the Respondent gave the Claimant notice that her employment was to terminate with immediate effect.
- 512. The Claimant's date of birth is 13 January 1981 and the Claimant was age 37 at the termination date.

# Relevant law

#### <u>A week's pay</u>

- 13. Under Section 221 of the ERA 1996 where an employee has normal working hours, and where their pay does not vary either with the time of that work (shift work) or the amount of the work done (piece work), a week's pay for the purpose of calculating redundancy pay, holiday pay and notice pay is the amount which is payable if the employee works those normal working hours.
- 1514. Under Section 227 of the ERA 1996 a week's pay is subject to a statutory cap of £479 for the purposes of calculating redundancy pay (but not notice or holiday pay).

### Statutory Notice

- 15. Under Section 86 of the ERA 1996 an employee is entitled to one week's notice20 for each year of continuous employment up to a maximum of 12 week's notice.
- A claim for statutory notice may be brought as a contract claim under Article 3 of the Employment Tribunals Extension of Jurisdiction (Scotland) Order 1994. Under Article 7 a contract claim must be brought within 3 months of the effective date of termination.

#### Redundancy Pay

17. Under Section 135 of the ERA 1996 an employer shall pay a redundancy payment to an employee if the employee is dismissed by reason of redundancy.

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- 18. Under Section 139 of the ERA 1996 an employee is dismissed by reason of redundancy if the dismissal is wholly or mainly attributable to the fact that the employer's business is ceasing or there is a diminished requirement for employees to undertake work of a particular kind (either generally or in the place where the employee was employed).
- 19. Under Section 162 of the ERA 1996 the amount of a redundancy payment for every whole year during which the employee had been continuously employed (up to a maximum of 20 years) is 1 week's pay for each year of employment below the age of 41 and 1.5 week's for years at or over age 41. For the purposes of calculating a redundancy payment the period of employment is extended to include the period of statutory notice.
- 20. Under Section 164 of the ERA 1996 a claim for redundancy payment must be
  15 made before the end of 6 months of certain specified events including presenting a complaint of unfair dismissal.

# Holiday Pay

21. Under Regulations 13 and 13A of the Working Time Regulations ('WTR') 1998 a worker is entitled in each leave year to a period of 5.6 weeks leave. A worker's 20 leave year starts on the date provided in a relevant agreement, failing which 1 October (if their employment commenced prior to 1 October 1998), failing which the date on which their employment begins. Under Regulation 2, a relevant agreement means in summary an incorporated collective agreement or a written Under Regulations 14 and 16 of the WTR 1998 where a worker's agreement. 25 employment is terminated during the course of their leave year the employer shall make a payment of a week's pay in respect of each week of accrued but untaken leave pro-rated accordingly. Under Regulation 30 a claim must be made within 3 months, or if not reasonably practicable, within such further reasonable period.

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### Discussion and decision

## A week's pay

22. The Claimant had normal working hours, her pay did not vary with the time of that work or the amount of the work done, and accordingly a week's pay for the purpose of calculating her entitlement to redundancy pay, holiday pay and notice pay is the amount which is payable if she worked those normal working hours, namely £180 a week (gross).

### Statutory Notice

- 23. The Claimant is entitled to one week's notice for each year of continuous employment up to a maximum of 12 week's notice. The Claimant has 6 years of continuous service and is therefore entitled to 12 week's notice. A week's pay is £180 gross. Accordingly the Respondent is due to pay the Claimant notice pay in sum of £1,080 (gross) (£1 80 x 6 weeks).
- 1524. The claim for statutory notice was made on 4 July 2018 and accordingly was in time.

### Redundancy Pay

- 25. The Claimant was dismissed because the Respondent's business was ceasing and accordingly Claimant was dismissed by reason of redundancy. The amount of a redundancy payment for every whole year during which the employee had been continuously employed is 1 week's pay for each year of employment below the age of 41 and 1.5 week's for years at or over age 41. The Claimant had 6 years' service all below age 41. The Claimant is therefore entitled to 6 weeks redundancy pay. Accordingly the Respondent is due to pay to the Claimant redundancy pay in sum of £1,080 (gross) (£180 x 6 weeks).
  - 26. The claim for redundancy pay was made on 4 July 2018 and accordingly was in time.

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# Holiday Pay

27. The Claimant is entitled to 5.6 weeks leave in each leave year. The Claimant agreed to a leave year of 5 April to 4 April. By the termination date of 22 June 2018 the Claimant had accrued 1.2 week's leave (5.6 x 11 weeks/ 52 weeks). By the termination date the Claimant had taken 1 week of leave (4 days) and was due payment in respect of the balance of 0.2 week's leave. The Claimant received payment in respect of 1 week's leave on termination. Accordingly the Claimant is not due any further payment in respect of accrued but untaken leave and the claim is dismissed.

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28. Parties expressed concern about the Respondent's ability to pay. Parties are urged to seek independent legal advice and to contact the Redundancy Payments Service.

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Employment Judge:M SutherlandDate of Judgment:12 October 2018Entered in register:18 October 2018and conjed to parties

<sup>20</sup> and copied to parties