



EMPLOYMENT TRIBUNALS

Considered at: London South

On: 5 February 2024

By: Employment Judge Ramsden

In the matter of Mr P Claydon v Class Technology Solutions Ltd

Consideration of judgment reached on: 5 January 2024

JUDGMENT ON RECONSIDERATION

1. The Claimant's application for reconsideration of the judgment given in this matter on **5 January 2024** is refused, and the decision in that judgment is confirmed.

APPLICATION

2. The Claimant applied on 8 January 2024, under Rule 71 of the Employment Tribunals Rules of Procedure 2013, for reconsideration of my decision on 5 January 2024 to dismiss his complaints of unauthorised deduction from wages or, in the alternative, breach of contract.
3. The Claimant's reason for doing so was an assertion that the Employment Judge overlooked the fact that Child Maintenance Deduction from Earnings Orders state that they cease to be valid after the final day of employment of the person subject to them.

BACKGROUND

4. The Claimant commenced employment with the Respondent on 1 November 2021, in the role of Senior IT Engineer.
5. From around May 2022, the Respondent became the subject of a deduction from earnings order (a **DEO**), effectively requiring the Respondent to make deductions from the Claimant's earnings and pay the deducted sums to the Child Maintenance Service (the **CMS**).
6. On 5 June 2023, the Respondent was sent two different DEOs in respect of the Claimant, one requiring a monthly deduction of £1,149.25 and another requiring

- a monthly deduction of £994.24, and a third document, being a DEO payment schedule, requiring a monthly deduction of £1,149.25.
7. On 6 June 2023, the Respondent informed the Claimant in a face-to-face meeting held via Teams that it was terminating his employment with immediate effect, and that he would be paid in lieu of his notice period.
 8. The Claimant had been challenging the terms of the DEO to which he was subject, and began to challenge it with greater earnest in the run-up to the payment of (a) his final salary payment, (b) a payment in lieu of his accrued but unused holiday, and (c) a payment in lieu of a more generous notice period than he was contractually entitled to.
 9. The Respondent warned the Claimant that its instruction to its payroll provider would be sent on 20 June 2023, and said it would be obliged to make deductions in accordance with the latest DEO applicable at that time.
 10. Neither of the 5 June 2023 DEOs were cancelled or altered by that date. The Respondent deducted £994.24 (the lesser of the two different amounts stipulated by the two different DEOs) from the payment made to the Claimant, and this formed the basis for the Claimant's claim before the Employment Tribunal.
 11. CMS telephone records note that the CMS advised the Respondent to stop the DEO on 22 June 2023, but that post-dated the instruction from the Respondent to its payroll provider.
 12. The Employment Judge concluded that a telephone instruction would, in any event, be ineffective to terminate the Respondent's obligation under the DEO to make the deduction, given that Regulation 20 of the Child Support (Collection and Enforcement) Regulations 1992 requires that any discharge of a DEO be in writing.
 13. The Employment Judge also observed that, as per Regulation 21 of those Regulations, any DEO applying to the Respondent at the time of the post-termination payment at the end of June 2023 would still apply to the Respondent, because that Regulation provides that "*The order shall lapse from the pay-day coinciding with, or, if none, the pay-day following, the termination of the employment...*".

DECISION

14. The Claimant has contended that the DEOs in this case "*clearly state*" that they cease to be valid when someone leave employment, and that "*the date used for that is the final day of service*". That would be surprising, given the terms of Regulation 21, but in any event the Employment Judge looked again at the two DEOs sent to the Respondent on 5 June 2023, and the DEO payment schedule sent on the same date. None of those documents contains words to the effect that the Claimant has averred. The DEO payment schedule (which is of course,

not a DEO in itself, and it is the underlying DEO that establishes the obligation on the Respondent to make the deduction) sets out various codes that an employer can use to explain why any deduction it makes differs from the amount anticipated by that schedule, and one of those codes is "*Left Employment*". The existence of this code patently did not alter the Respondent's legal obligation to comply with the terms of the DEO then-applicable.

15. For all of the above reasons, the Claimant's application fails.

Employment Judge Ramsden
Date: 5 February 2024