

# Postal Services Act 2011

# **2011 CHAPTER 5**

## PART 1

#### RESTRUCTURING OF ROYAL MAIL GROUP

#### Transfer of property etc

## 9 Transfer of employees otherwise than under transfer scheme

- (1) This section applies if an agreement between companies within subsection (3) provides for the transfer from one to the other of rights and liabilities under contracts of employment.
- (2) This section also applies if-
  - (a) employees of a company within subsection (3) ("company A") are provided to another company within that subsection ("company B"),
  - (b) an agreement between the companies provides for the employees to cease to be provided to company B, and
  - (c) company B intends to employ the employees.
- (3) A company is within this subsection if—
  - (a) it is the original holding company or a subsidiary of that company, and
  - (b) it is wholly owned by the Crown.
- (4) At any time before the agreement comes into force, the Secretary of State may—
  - (a) in a case within subsection (1), designate any contract of employment the rights and liabilities under which are to be transferred under the agreement, and
  - (b) in a case within subsection (2), designate any employee of company A who is provided as mentioned in subsection (2)(a).
- (5) The designation may specify or describe the contracts of employment or employees.

- (6) On the coming into force of the agreement, the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply in relation to—
  - (a) the transfer of designated contracts of employment, and
  - (b) the cessation of the provision of designated employees to company B,

whether or not the agreement would otherwise be regarded for the purposes of those regulations as giving rise to a relevant transfer.

- (7) Where by virtue of the agreement a designated employee of a company within subsection (3) ("the transferor") becomes an employee of another company within that subsection ("the transferee")—
  - (a) a period of employment with the transferor is to be treated as a period of employment with the transferee, and
  - (b) the transfer to the transferee is not to be treated as a break in service.