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Make provision with regard to notices of redundancy.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Notification of redundancy by companies in administration

- (1) This section shall apply only where an administrator has been appointed under Part II of the Insolvency Act 1986 (c. 45), as amended by the Enterprise Act 2002 (c. 40).
- (2) Notice of dismissal by reason of redundancy may only be given if the administrator has consulted with the company’s employees about the management of the company’s affairs, business and property at a meeting called for that purpose, and considered any representations made by them. 5
- (3) No notice of dismissal by reason of redundancy shall be given until a period of one month has elapsed since the meeting referred to in subsection (2) above. 10
- (4) It shall be an offence for an administrator—
 - (a) not to consult with a company’s employees in accordance with subsection (2); or
 - (b) to issue a notice of dismissal by reason of redundancy in contravention of subsection (3). 15
- (5) A person who is guilty of an offence under this Act is liable on summary conviction to a fine not exceeding one-fifth of the statutory maximum.
- (6) In this section—
 - “administrator” has the meaning given in paragraph 1 of Schedule B1 to the Insolvency Act 1986; 20
 - “meeting” includes an information and consultation meeting, whether exceptional or otherwise, held in accordance with the Transnational Information and Consultation Regulations 1999 (S.I. 1999/3323); and
 - “redundancy” has the meaning given in section 139 of the Employment Rights Act 1996 (c. 18). 25

2 Short title, commencement and extent

- (1) This Act may be cited as the Notification of Redundancy Act 2006.
- (2) This Act comes into force at the end of the period of two months beginning with the day on which it is passed.
- (3) This Act extends to England and Wales and Scotland only.

Notification of Redundancy Bill

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*Ordered to be brought in by
Mr Jim Cunningham, Mr Geoffrey Robinson,
Mr Brian H. Donohoe, Mr Jim Devine,
Mr Bill Olnier, Mr Brian Jenkins, Jim Sheridan,
Anne Moffatt, Christine Russell and
Mr David Hamilton.*

*Ordered, by The House of Commons,
to be Printed, 25th April 2006.*

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