



National Union of Rail Maritime and Transport Workers



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Our Ref: NP/R3/2/MC/18

07 March 2018

Frank Field MP
House of Commons,
London,
SW1A 0AA

Dear Frank

Carillion Joint Inquiry

I am writing to you regarding the ongoing Carillion Joint Inquiry.

I have previously written to the clerk responsible for the Inquiry to underline the fact that, as you will be aware, RMT gave evidence to the joint inquiry *Impact of the closure of City Link on Employment* a number of years ago, and would welcome the opportunity to contribute our experience to the Carillion Joint Inquiry through oral evidence.

In particular I wish to draw your attention to recommendation 16 of that inquiry which stated:

“...the current order of payments does not reflect modern employment practices. We recommend that the Government updates the order of payments in the Insolvency Act 1986 to give preference to all of a company's workers, regardless of whether or not they are directly employed and that consideration is given as to how best to deal with employees and small sub-contractors and suppliers.”

A substantial number of Carillions employees are members of RMT.

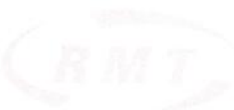
In particular RMT wishes to see legislation amended to ensure that the any potential liabilities arising from outsourcing, and an insolvency situation, are met by the client organisations and not by the workforce:

- Provisions made to guarantee the application of TUPE in insolvency cases such as that of Carillion.
- Requirements introduced to ensure that where work is outsourced, should the contractor become insolvent, the client organisation is bound by legal requirement to both return the work in-house and do so under the TUPE regulations.

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- Legislation be introduced to ensure that the pension scheme contributions and accrued benefits of workers employed by the contractor are fully protected through a requirement on the client organisation to make up any shortfall arising from the 90% cover of the Payment Protection Fund.

It would be greatly appreciated if you could give this request your immediate attention.

Yours sincerely



Mick Cash

General Secretary

cc. Rachel Reeves, Chair, Business, Energy and Industrial Strategy Committee