

EET 2025-009

IN THE EMPLOYMENT AND EQUALITY TRIBUNAL

Between:

Mr Stuart Dawson

Complainant

and

Public Services Commission

Respondent

HEARING: 19th January 2026

DECISION

Mr Dawson did not resign from his employment on 27th September 2024, his communication amounting only to a notice of internal transfer and not termination of his contract.

Representation

- **Mr Dawson was represented by Mr Jamys Quilliam of M&P Legal**
- **The Respondent was represented by Ms Megan Sheward of the Chambers of the Attorney General.**

Introduction

1. By a Complaint dated 22nd January 2025, Mr Dawson commenced proceedings alleging unfair dismissal. The Respondent denied liability in a

Response dated 14th February 2025. In particular, the Respondent contended that there had been no dismissal and that by his email of 27th September 2024, Mr Dawson had unambiguously resigned. Although Mr Dawson's position was within the Department of Infrastructure, his employment contract (**Pages 27 – 31**) confirmed that this was the Public Services Commission.

2. In October 2025, I ordered that there be a Pre-Hearing Review to determine the following discrete issue:

"Whether Mr Dawson resigned from his employment with the Respondent on 27 September 2024, or whether his communication amounted only to a notice of internal transfer and not termination of his contract."

3. Both advocates are to be commended for their helpful Skeleton Arguments as subsequently supported by their oral Closing Submissions which were succinct but effective.

The Evidence

4. Mr Dawson had been signed off work because of ill-health from January 2024 until 25th October 2024, this being his final day after giving his notice by email dated 27th September 2024 timed at 12:54 p.m. (**Page 51**) . This email had been sent to Mr Michael MacDonald who is the Ports Manager (Harbours Master) at the Department of Infrastructure. Also copied into the email were Ms Debbie Halsall of Unite the Union, Ms Erica Harrison from the Office of Human Resources and Mr David Gooberman, the Director of Harbours.
5. This email was headed with the word "Resignation." The words relied upon by the Respondent were as follows:

"I'm writing to formally notify you of my resignation from the position of Marine Section Officer. My last day with DOI Harbours will be Friday 25th October 2024."

6. The remaining paragraphs of this email showed the bitterness felt by Mr Dawson:

"The constant bullying behaviour and general attitude towards me during the time I have been employed at Harbours has been unbearable and unbelievable, and as such my trust and confidence in the Department has been shattered.

I am highly disappointed and disgusted as not one member of management has ever stood up or supported me. The only thing that has been very evident is that people in positions of power have stopped me doing the job I loved. They have set out to collude together to get rid of me. I find it highly offensive that I have been treated in this manner, it is slanderous and a defamation of my character.

How in this day and age this is acceptable gives me no words, especially to a veteran who has given so much, it absolutely appals me. The vindictive nature of this has left me no choice but to leave and it should bring shame on the Department."

7. The Respondent, as pleaded above, considered that the resignation was unequivocal. Mr Dawson argued that this was not so.

Mr Stuart Dawson

8. Mr Dawson in his written evidence confirmed that he had started working at the Harbours Division on 1st June 2021 as Marine Section Officer. Other evidence confirmed that he had initially joined the DOI Dive Team in January

2016 before transferring internally to the DOI Marine Section. Although his line manager had been Mr Stephen Cowley, he had indirectly reported to Mr Gooberman, the Director.

9. Having become unwell as result of stress at work, he had gone on sick leave in January 2024 and at some point, had decided to look around for another posting. During the summer of 2024, there had been discussions, involving Ms Harrison and Mr MacDonald, about him returning to work but that had been before he had been conditionally offered a job with the Prison Service.
10. On 24th July 2024, Ms Halsall had emailed Ms Harrison (**Page 39**) explaining there were too many issues for Mr Dawson to go back to his role in the Harbours Division. She asked whether there was an opportunity for him to be redeployed to the Prison Service because there was a current advert running.
11. On 29th July 2024, Ms Harrison replied (**Page 38**) explaining that joining the Prison Service was not necessarily suitable for a “direct” redeployment. When being questioned about this, Mr Dawson was asked what he understood by use of “direct” and he had taken it to mean that he would have to process the change himself and he had used Jobtrain as suggested in her email by Ms Harrison.
12. It was evident from Mr Dawson’s exchange of messages with Ms Halsall that, at latest by 23rd August 2024, he had no intention of returning to his role or of doing any phased return. Ms Harrison knew this already as of 24th July 2024. Although by 23rd August, Mr Dawson had not been formally offered the job he had applied for at the Prison Service, he had gone through the selection process successfully. The Prison Service is part of the Department of Home Affairs.

13. On 29th August 2024, he had received a conditional offer by email as to employment as a Prison Officer (**Pages 45-47**). Mr Dawson testified he had sent his resignation letter on the advice of his Union but later, following the withdrawal of the offer from the Prison Service, Ms Halsall had told him that he need not have resigned because, had he moved to the Prison Service, he would have been staying with the same employer being the PSC.
14. Accordingly, by 27th September, although the offer was still conditional, he was confident that he would have another job to go to because he had been through the selection process. Not doubting that he would meet the conditions in that offer, he had given his notice.
15. Mr Dawson's evidence was that his intention was to leave the Harbours Division but he had no intention to lose his status with the PSC because he had a mortgage.
16. Under the PIP process (People Information Programme), as published by the OHR, (**Pages 34-37**), an employee transitioning to another role would receive an email in confirmation. It was put to Mr Dawson, that he had not been sent any such email and he confirmed he had never expected to receive one.
17. Having tendered his resignation email, on 27th September 2024 (**Page 51**), Mr Dawson also emailed Ms Harrison at 13:49 p.m. in the following terms:

"As you are aware from my previous email, I iv (sic) handed in my resignation moving to a different part of government. Just a quick question on that, as I still have full leave entitlement, what happens to that leave?"
18. As is confirmed later, Ms Harrison replied by an email dated 30th September (not in the trial bundle) that his leave would not be affected because his terms and conditions would remain the same.

19. Mr Dawson pointed out that his resignation letter specifically mentioned resigning from the post of Marine Section Officer. He had made no mention of resignation from the PSC. When he gave his notice, he had not expected to return to work during his notice because he was on sick leave. He explained that having emailed his resignation, nobody had asked him whether his intention was to resign from the Division or from the PSC.
20. When he was questioned as to why when he had given his notice (or perhaps before) he had never mentioned to Mr MacDonald that he was intending to transfer to the Prison Service, he said this was because he feared that Mr MacDonald (or management) would sabotage his application. He made this point on two, if not three occasions in his evidence.
21. Mr MacDonald, in his email of 27th September 2024 timed at 14:34 p.m. accepted the notice of resignation, ending the email:

“I wish you well in the future and hope you are successful in your new job.”

22. Mr Dawson explained that he had not given much thought to whether the underlying employer for both the Harbours and Prisons jobs was one and the same. When he had sent the 27th September resignation, he knew he had to give 4 weeks’ notice. He had timed it knowing the Prison Service would be training new recruits commencing at the end of October.
23. Mr Dawson’s unchallenged evidence was that Mr Goberman knew of his intention to work at the prison because he told him of this after the 27th September email.
24. Mr MacDonald, in his email of 27 September 2024 timed at 14:41 (**Page 53**) mentioned that Mr Dawson would have to renew his sickness note. Mr

Dawson confirmed he had complied because he needed such a note to cover his period of notice.

25. From Mr Dawson's viewpoint, the situation changed significantly on 17th October 2024, this being during the period of notice. He had a call "ostensibly" from the Governor of the Prison telling him that his conditional offer was being "retracted" even although he had not failed to meet the conditions in the offer. An email dated 18th October (**Page 57**) confirmed that the offer had been withdrawn. He had been off-Island in a different time zone when he had received this information.
26. When he received this unexpected news, he had contacted Ms Halsall who suggested he rescind his resignation. They met after he returned to the Island and she had then advised him he had not needed to resign at all because his employer (the PSC) would have been staying the same - had the role at the prison not been unexpectedly withdrawn. Until that moment he had not realised he had not needed to terminate his employment contract. He did therefore seek to rescind by email on 24th October 2024 (**Page 63**).
27. Mr Dawson pointed out that following his email of 27th September, nobody at the DOI nor at the PSC had sought to clarify whether he was resigning just from Harbours or from PSC generally.
28. Mr Dawson had also emailed Ms Harrison later on 27th September asking what would happen regarding his annual leave. She replied by email of 30th September (**Page 56**) stating:

"As you are staying within the same terms and conditions, you would take your remaining leave balance over to the new role."

29. Mr Dawson pointed out that among the disclosed documents was one entitled "*Guidance for Administrators: How do I transfer a team*

member to another position within a team reporting line (substitution, sideways move)” (Pages 34-37). Mr Dawson considered that disclosure of this document was inconsistent if the 27th September email was not being treated as an internal transfer.

30. Mr Dawson summarised his position as of 27th September (**paragraph 14, Page 19**) as follows:

“I now understand that I did not need to give notice to move between job roles at the same employer but there is no doubt in my mind that I did not intend to resign from all employment with the Respondent and sent the email in contemplation of moving job role only.”

31. Mr Dawson remains unemployed.

Mr Michael MacDonald

32. It was clear from his written statement that Mr MacDonald the Ports Manager, (Harbour Master) treated the 27th September email as a resignation. His actions showed that he treated it as a resignation from the PSC. When he had received the resignation letter, he had copied in his response to Mr Steve Cowley who was Mr Dawson’s line manager. He tasked him with dealing with Mr Dawson as a leaver.
33. He pointed to 25th October 2024 as the correctly calculated final working date given in accordance with Mr Dawson’s contractual period of notice. He pointed to Mr Dawson having been long-term sick coupled with the strong indications in the resignation letter that he was not happy being employed at the Harbours Division.
34. Prior to 27th September 2024, Mr Dawson had never mentioned to Mr MacDonald the possibility of internal transfer nor had that been mentioned

in the resignation email. Previous discussions between OHR, Mr Dawson and Mr MacDonald had been focused on his return (once fit) to his role as Marine Section Officer. These discussions were (in part) in the context of his relationship with Mr Steve Cowley which Mr Macdonald described as having been “strained.”

35. Because of his interpretation of the resignation email, Mr MacDonald had accepted the resignation and expressed the hope that he would be successful “in his new job” (**Page 53**). When questioned by Mr Quilliam, Mr MacDonald confirmed this had been a matter of politeness. As he put it in his witness statement, it was no more than a general expression of good wishes.
36. Mr MacDonald, in his written statement, confirmed that he had heard informally that Mr Dawson may have applied for another job but that had not been confirmed or communicated to him “directly” prior to the resignation. He did not know at that point to where Mr Dawson would go for employment but he accepted that he had heard rumour that he had applied for a job with the Prison Service. The rumour was that he was leaving the Division. He had heard this possibly a month or so previously or perhaps just a couple of weeks previously. He was uncertain. In answer to Mr Quilliam, he confirmed that it did not mean that he *knew* that Mr Dawson had another job. It was his *assumption* that he was going to another job.
37. Mr MacDonald considered it consistent with resignation from the PSC that Mr Dawson renewed his sicknote to cover his period of notice and requested that his personal belongings be returned.
38. Mr MacDonald had received an email on 24th October 2024 (**Page 63**) from Mr Dawson seeking to rescind his resignation, this being the first mention of anything like this. This was the wording:

“Following on from my email of resignation, I was not aware that as a PSC employee I did not need to resign. Therefore as a role of PSC to PSC I rescind my resignation forthwith.”

39. Because he was about to go on annual leave, Mr MacDonald asked Mr Gooberman to reply. They were both agreed not to accept rescission of the resignation so that the end date of employment would stand. Mr Gooberman emailed Mr Dawson on 25th October at 17:56 p.m. to confirm this (**Page 63**).

Ms Erica Harrison

40. In her written statement, Ms Harrison explained that her role is as a Human Resources Adviser in the Office of Human Resources. Part of her role was focused on the Department of Infrastructure. She was not an adviser for the Department of Home Affairs and neither was she part of the Recruitment Team.
41. Having been copied in on Mr Dawson’s resignation letter, her evidence was that she immediately recognised it as being a formal written resignation. Within the OHR, guidance for them is provided by the People Information Programme which is the electronic Human Resources and Payroll system for use by both managers and employees.
42. She considered that the email from Mr Dawson was in the standard format of a formal resignation and she considered it to be well considered and thought through. She had noted the emotive language contained in the resignation letter expressing his unhappiness working in the Harbours Division. She did not think there was any ambiguity in the language used.
43. Ms Harrison testified in her witness statement that neither immediately before nor after his resignation did Mr Dawson communicate with her directly regarding his decision. (However, Ms Harrison was mistaken about

this because Mr Dawson had emailed her on the same day as his resignation regarding moving "to a different part of government." She had replied on 30th September 2024 as already recounted above. More background to this exchange is referred to below).

44. Ms Harrison had written to Mr Dawson dated 30th September (Page 56) advising that his leave entitlement would carry over to the new role on the basis that he would remain under the same Terms & Conditions, PSC Civil Service. To her this was "*a routine administrative clarification about leave entitlement and did not alter the fact that Mr Dawson had resigned from his role as Marine Section Officer.*"
45. By 30th September, she had heard informally that Mr Dawson had received a conditional offer for a new role but she could not remember exactly when this had been. Neither was she aware of what stage any recruitment process had reached because that was a matter for the Recruitment Team which operated separately.
46. Ms Harrison explained that the PSC has standard Terms & Conditions which applied uniformly across all roles under the PSC as the overarching employer. Her written statement confirmed that:

"... Although the new role remained under the overarching T & Cs, new terms would be put in place to reflect the new employment arrangement, specifying the new Department, role title and reporting manager. While the annual leave entitlement and balance would remain unchanged, Mr Dawson would still be re-engaged under a new arrangement with the new Department."
47. Having been treated as a leaver under the PIP process, Ms Harrison explained that an automated email is triggered consistent with him leaving the organisation including an exit survey and the option of an exit interview

which Mr Dawson chose not to have. This process is not applicable to employees who are transferring internally. Transfers follow a different and distinct process.

48. Ms Harrison explained that the transfer process is distinctly different involving clear communication between OHR, the employee and “critically between the previous manager and the new manager.” In her experience, OHR have never treated a resignation as an internal transfer and she did not interpret the resignation letter as a transfer request.
49. On 24th July Ms Halsall had emailed Ms Harrison as follows (Page 39):

“I hope this email finds you well, after a lengthy discussion with Stuart, there is too many issues for Stuart to go back there, is there opportunity for him to be redeployed to the Prison Service as a Prison Officer, as there is a current advert out at the moment. I look forward to hearing positive news that this can be facilitated.”

50. On 29th July 2024, Ms Harrison had emailed Ms Halsall (**Pages 38-39**) advising that redeployment to the new role with the Department of Home Affairs was not a suitable option. In her written statement, Ms Harrison explained that the role of prison officer is unique in that it required stringent pre-employment procedures and rigorous recruitment checks. The prison service being part of the DHA, that Department operates within a specialised domain which is entirely distinct and separate from roles within the DOI. This was a summary of that email and her written statement, the material parts of that email read as follows:

“I fully appreciate your thoughts re the option mentioned, however the positions of prison officers, when recruited to, need to go through quite stringent assessments centres and interviews and so not necessarily suitable for a “direct”

redeployment. That being said, if that is an area of interest for him I would absolutely encourage him to contact Steve Winchester the position reports to, to discuss the role. He would then need to apply directly through Jobtrain."

51. Ms Harrison also explained that both redeployment and transfers require "appropriate reasons and she did not believe Mr Dawson met the criteria for either."
52. Following that email to Ms Halsall, further exchanges related to Mr Dawson's return to work in his existing role. She had led to become aware that Mr Gooberman had rejected the request to withdraw the resignation and she confirmed that this was a decision within the discretion of a manager.

Documentary Evidence

53. In addition to documentary evidence already cited, within the PIP process, Mr Cowley, as line manager, reported on 18th October that Mr Dawson had resigned with his last day of employment being 25th October 2024. (**Page 61**) Ms Kerrie Guttridge of the OHR responded on the same day enquiring whether Stuart was leaving the organisation altogether to which Mr Cowley replied on the same day that he was not sure what Mr Dawson's future plans were.
54. On 18th October, there were exchanges between Mr William Snape, a Recruitment Officer on the Recruitment Team and Mr Andrew Cubbon an HR Business Partner at the OHR (**Page 58**). This concerned the Governor having informed Mr Dawson that the offer of employment had been withdrawn. Mr Snape confirmed that this had been "all sorted." He then added:

"Just FYI, Kerrie G in PIP Changes let me know his current manager was trying to end him on PIP today (often happens

when candidates are transferring and the current manager thinks they need to terminate them). Just thought I'd let you know in case it comes up."

THE LAW

Employment Act 2006

- Section 112(4)(a)

Government Departments Act 1987

- Section 1(3)

Case Law

- Adecco Group UK & Ireland v Gregory & Others
UKEAT/0024/14UKEATS/0026/14
- Bell v Lever Brothers Ltd (1932) AC 161
- Dalitis (t/a Shanklin Motor Co) v Plissi (2008) Lexis Citation 999
- Dr L Willetts v The Jennifer Trust for Spinal Muscular Atrophy.
UKEAT/0282 /11/SM
- East Kent Hospitals University NHS Foundation v Levy UKEAT
/0232/17/LA
- Geys v Société Generale (2012) UKSC 63
- Great Peace Shipping Ltd v Tsavlis Salvage (international) Ltd
(2002) EWCA Civ 1407 (Court of Appeal)
- Harris & Russell Ltd v Slingsby (1973) ICR 454
- Hartog v Colin & Shields [1939] 3 All ER 566
- Levy v East Kent Hospitals University NHS Foundation Trust
230/837/2026

- Mackenzie v Billing Aquadrome Ltd
(UKEAT)/0095/11/UKEAT0096/11
- Sothern v Franks Charlesly & Co (1981 IRLR 278
- Willoughby v CF Capital plc (2012) ICR1038

Submissions on behalf of the Respondent

55. In her Skeleton Argument, as developed in her oral Closing Submissions, Ms Sheward firstly pointed to the Government Departments Act 1987 that laid down that each Department has a separate legal personality and is a separate legal entity. I had no difficulty in accepting that contention.
56. She highlighted that Mr Dawson's resignation, when viewed objectively, had been expressed in clear and unequivocal language of termination. There was no reference to an internal transfer nor was any agreed transfer process underway.
57. However, I cannot agree with that submission. I do think there was ambiguity because of the (somewhat curious) situation in Government circles that although each Department has a separate legal personality, Mr Dawson was not in contract with the Department of Infrastructure although that was where he worked (and this is usually described as being "stationed"). Mr Dawson's employer was the PSC as was confirmed in his contract of employment (**Page 27**).
58. There have been quite a number of instances in this Tribunal where Complainants have sued a Department only to have to amend the Respondent, after someone from the Chambers of the Attorney General has pointed out that contractually their agreement had been with the PSC.

59. In the present situation, had Mr Dawson successfully joined the Prison Service (this being part of the Department of Home Affairs), he would have continued to be employed by and in contract with the PSC.
60. In that context, the wording used by Mr Dawson that he was resigning from his position as Marine Section Officer and not mentioning the PSC was ambiguous.
61. Ms Sheward submitted that whether an employee has resigned is determined by application of an objective test: *would a reasonable employer, in the circumstances, understand the employee's words or conduct as an unequivocal intention to terminate the contract?*
62. Her authority for this was the case from the Supreme Court in **Geys** and I have no problem in accepting this is the starting point for analysis of the legal situation.
63. Ms Sheward also relied on the decision of the Court of Appeal in **Sothorn** that when a resignation in writing is expressed in clear and unambiguous terms, it should be taken at face value and treated as effective without further enquiry. That decision was approved subsequently in the Court of Appeal in **Willoughby**.
64. In my opinion, there was no unequivocal intention to terminate the contract with the PSC because it had not been mentioned. Those in management knew or ought to have known that Mr Dawson was not employed by the Department so that clarification of his intention was required.
65. As a separate aspect, Ms Sheward pointed to the decision in **Willets**, confirming the principle established in **Harris & Russell Ltd** that once notice of termination has been validly given, it cannot be withdrawn unilaterally and requires the agreement of the other party. She submitted this meant there was no duty on an employer to check whether an

employee, having used apparently clear and unambiguous words of resignation truly intended to resign.

66. I do not take issue with that principle either. There was an intention to resign but was it from the position of Marine Section Manager or from the PSC? There again lies the ambiguity.
67. As will be seen below, Mr Quilliam placed considerable emphasis on the decision in **Levy**. Because of this, Ms Sheward sought to distinguish that decision of the Employment Appeal Tribunal. However, in my opinion, she failed to do so. She submitted that whilst Mr Dawson may not have appreciated that technically he did not have to terminate his employment contract, the fact was that he did do so and intended to do so at the time. In her submission, that was the end of the matter because the resignation could not be structured or intended to have been an internal transfer.
68. However, besides her core argument, Ms Sheward also then addressed the question of *special circumstances* because of the analysis of the position as laid out in **Levy**. This was a decision of the Employment Appeal Tribunal on which heavy reliance had been placed in his Skeleton Argument by Mr Quilliam. The second stage of analysis of the resignation was, in her submission, also an objective test which required considering the context in which the words of the resignation were used. The question to be asked would be:

“What would have been the reasonable construction of the letter ... in the light of the particular circumstances known to the reader of the letter at the time; the objective observer is also to be an informed observer.”

69. Ms Sheward pointed out that in **Levy**, the word resignation had not been used. Additionally, the employer knew that the employee had applied for a new role with the employer and that she had received a conditional offer

and he “probably knew that the Claimant would have received a Staff Transfer Form with a conditional offer.” She pointed out that contrastingly in the instant situation, the Respondent’s understanding of the relevant circumstances pertaining was that Mr Dawson intended to return to work.

70. I do not accept that interpretation of the facts in the light of the evidence as to the extent of knowledge of Mr MacDonald in particular. In addition, back in July 2024, Ms Harrison had been informed by Ms Halsall not only that Mr Dawson would not be returning to his role as Marine Section Manager but also that he was minded to join the Prison Service instead.
71. Ms Sheward’s final point was that, consistent with **Levy**, it is how the wording of the resignation was understood at the time that was pertinent and that “subsequent communications cannot retrospectively alter the effect of an unequivocal resignation.”
72. As to that submission, in my opinion, at the moment of receipt of the resignation by Mr MacDonald, Mr Gooberman and Ms Harrison, the ambiguity as to the intention of Mr Dawson was or ought to have been apparent so that the resignation was not clear and unequivocal.

Submissions on Behalf of Mr Dawson

73. Mr Quilliam considered that the instant situation had to be determined involving consideration of the surrounding evidence. He submitted that Mr Dawson’s case so materially reflected the facts in **Levy** that the principle in that decision should be applied. It is therefore important to consider what the facts were in that case.
74. Mrs Levy worked in the records department at the Trust. Having suffered difficulties in that department, she applied for an alternative position in the radiology department. This she was offered subject to certain conditions. Armed with that offer, she gave her manager a letter stating:

"Please accept one month's notice from the above date."

75. Her manager accepted her notice of resignation. Subsequently, the job offer was withdrawn and Mrs Levy sought to withdraw her notice. The Trust refused, treating her as having resigned from her employment.
76. The Employment Tribunal found there had been no resignation – rather this was a dismissal. On appeal, the Employment Appeal Tribunal agreed. On an objective view the letter would lead a reasonable observer to conclude that she was doing no more than informing her manager of her intention to accept what was then the conditional offer of a new role. The EAT doubted whether it was arguable by the Trust that using a phrase "giving notice" can only ever refer to termination of employment but even if it was, the Tribunal was entitled to interpret that phrase in the light of the special circumstances."
77. Mr Quilliam submitted that but for Mr Dawson's mistaken understanding as to the identity of his employer, had he properly understood the position, he would not have sent any email at all because the PSC was going to remain his employer at the Department of Home Affairs. He submitted there was no notice of resignation to the PSC as his employer. This was the basis of his contention that there was a mistake of fact that entitled him to rescind his resignation.
78. I go some of the way with this point. As mentioned above, the Terms & Conditions of Employment confirmed that notice had to be given to the Department and not to the PSC. However, it was the lack of clarity as to the intent of the resignation that was truly significant.
79. In the alternative, Mr Quilliam submitted that the email should be dealt with either as:

- a. Having been ambiguous because it was not addressed to the PSC and related to a particular role and therefore akin to notice of an internal transfer (per Levy) or
 - b. Alternatively, that notwithstanding the alleged ambiguity of the email, special circumstances existed so that it should not have been taken at its alleged face value.
80. Mr Quilliam relied upon *Harvey on Industrial Relations and Employment Law* which considered how the authorities have dealt with ambiguous language in a potential termination of employment. The conclusion was that the test is an objective one – *how would a reasonable observer have interpreted the words in light of all the circumstances.*
81. Mr Quilliam pointed to the email from Ms Harrison of the OHR (submitted as being the agent of the Respondent) in which she confirmed that Mr Dawson's terms and conditions would remain the same including the balance of his annual leave. Additional circumstances to be brought into account was that Mr MacDonald had required a doctor's note and that by the wording of his email of 27th September 2024, Mr MacDonald knew of the new role that Mr Dawson had in mind in the Prison Service.
82. Accordingly, in his submission and based on the objective test, there was no resignation from the PSC and that, had the role that the Prison Service not been withdrawn, Mr Dawson would have remained employed by the PSC. As he put it:

"That later withdrawal of the offer cannot *ipso facto* and retrospectively transform the email from notice of internal transfer to notice to resign from the PSC altogether."

83. As a variation on the above submissions, Mr Quilliam went on to consider the position in the event that I should determine that the email was unambiguous. In that situation, he pointed out that *Harvey* suggested a combined subjective and objective test in its interpretation. He put this as follows:

"If subjectively, a giver of unambiguous notice must suffer the consequences of such (notwithstanding how a reasonable observer might have taken his language), an exception however exists if there are special circumstances that might require an objective interpretation of his or her words."

84. Summarising his position in his oral Closing Submissions, Mr Quilliam submitted that the ambiguity started with the terminology of the resignation email. With that I agree. In consequence, he submitted that the correct approach based on the authorities was to look at the overall special circumstances. He pointed to:

- The negative relationship in the workplace between Mr Dawson and others in the Harbour Division;
- The fact that Mr Dawson was moving to a job (as he thought) where he was unaware that it was unnecessary to give notice of resignation at all;
- Both Ms Harrison and Mr MacDonald were aware of Mr Dawson's intentions as to his move;
- The ambiguity was or should have been evident to Ms Harrison and was ambiguous to Mr Cowley as referred to by Mr William Snape.

- Not one person attempted to clarify the ambiguity, ostensibly because there was none.

CONCLUSIONS

FACTS

85. The way in which the Government of the Isle of Man operates is that there is no legal entity being “the Government.” Each Department is a separate legal entity. Mr Dawson was an employee of the PSC but stationed with the Department of Infrastructure. Had he been successful in securing the new job in the Prison Service (part of the Department of Home Affairs) he would have continued to be employed by the PSC.
86. On 24th July 2024, Ms Halsall had emailed Ms Harrison (**Page 39**) explaining that after a lengthy discussion with Mr Dawson, there were “too many issues for Stuart to go back.” She enquired whether there was an opportunity for him to be redeployed to the Prison Service because there was a current advert running.
87. On 29th July, Ms Harrison responded (**Page 38**) mentioning an upcoming meeting which would be an opportunity to consider the way he was feeling and to discuss options available. She then continued by commenting about the position of prison officers. To be recruited, they needed:

“... to go through quite stringent assessment centres and interviews and so not necessarily suitable for a “direct” redeployment. That being said, if that is an area of interest for him I would absolutely encourage him to contact Steve Winchester who the position reports to, to discuss the role. He would then need to apply directly through Jobtrain.”

88. This is no criticism of Ms Harrison but had that message mentioned that although the switch would not necessarily be suitable for “direct” redeployment, nevertheless Mr Dawson would continue to be an employee of the PSC, confusion would probably have been avoided. Without that being mentioned and the suggestion that Mr Dawson had to sort out a possible move himself and then apply directly, this inadvertently created the impression that there would not be a seamless redeployment.
89. Ms Harrison had understood this was a PSC-to-PSC situation. On 27th September (shortly after putting in his resignation email), Mr Dawson had emailed only her. The existence of this email only became known to the Respondent on Friday 16th January 2026 when disclosed by Mr Quilliam.
90. Ms Harrison herself had no recollection of ever having received it but she had in fact answered it. It was a disclosable document but I was assured on behalf of the Respondent that the usual proper searches had not revealed it.
91. I was first informed of its existence during housekeeping at the commencement of the Hearing. Mr Dawson had, only shortly before the Hearing, had access to the laptop containing this email and he had disclosed it to Mr Quilliam at 16-22 PM on Friday 16th January. The wording of this email to Ms Harrison had been as follows:

“As you are aware from my previous email, I iv (sic) handed in my resignation moving to a different part of government. Just a quick question on that, as I still have full leave entitlement, what happens to that leave?”

92. That Ms Harrison understood that there was no change of employer in the anticipated situation was apparent in her responsive email to Mr Dawson of 30th September 2024 (**Page 56**) when she wrote:

"As you are staying within the same terms and conditions, you would take your remaining leave balance over to the new role."

93. Mr Dawson testified that if he had understood that his new job (if appointed) involved no change of employer being PSC-to-PSC, albeit in a different Government Department, he would not have resigned. As it happened, he had not mentioned in his resignation email resigning from the PSC - only from his role in Harbours Division. His Terms & Conditions of Employment confirming he was an employee of the PSC stated that on giving notice, this had to be to the Department (**Page 29**), a slightly curious situation when he was not employed by the Department.
94. In his witness statement (**paragraph 9 Page 18**), Mr Dawson, once faced with the news that he had not been accepted to join the Prison Service explained the situation in this way. At the time he had been on holiday and he asked Ms Halsall for a meeting as soon as he returned to the Island. He met her and put the outcome like this:

"... she suggested I look to rescind my resignation. She told me when I saw her that I hadn't actually needed to "resign" as such because my employer would have been staying the same (had the Prisons Offer not been unexpectedly withdrawn). Prior to this, I hadn't appreciated technically I did not need to terminate my employment contract but rather I was just trying to leave the role with Harbours to go to the one in Prisons, both within the PSC umbrella."

95. In her witness statement, Ms Harrison confirmed she had no doubt that this had been a resignation but perhaps more than anybody given her role in HR and her knowledge of Mr Dawson's intentions about the Prison Service since July, she had the opportunity to alert him at once to the mistake he had made in thinking he needed to resign.

96. When questioned by Mr Quilliam about when she had been aware of him expecting to move to the Prison Service, she had not been able to give an answer. When she had written to Mr Dawson on 30th September answering his query about leave and telling him that his terms and conditions would remain the same, I draw the conclusion that she had known what his intentions were as of 27th September and probably before. She had expressed no surprise or query as to what was going on when he had mentioned moving to a different part of Government.
97. As Mr Dawson testified, he could not afford to risk being unemployed because he had a mortgage to pay but he thought at the time that his appointment was unlikely to be refused although he knew it was a risk because he had raised that on 27th September with Ms Halsall by messenger (**Page 50**) when he wrote this:

"Hey Debbie it's the last day I can get my resignation in today so gona (sic) have to send it, just a question just for any reason I didn't get the job at prison officer, can you take out a resignation after u have put it in??"

98. Ms Halsall replied (**Page 50**):

"Send the resignation in. Why would you not get the job they have offered you it? What does it say on your offer letter."

99. The resignation email besides going to Mr MacDonald, Ms Halsall and Ms Harrison was also sent to Mr Gooberman as the Director of Harbours. Mr Dawson had then spoken to Mr Gooberman after his resignation email and his unchallenged evidence was that from that moment, Mr Gooberman was aware that Mr Dawson intended to transfer to the Prison Service.

100. In consequence, Mr Goberman also had an opportunity (and probably implicitly the authority) not only to say that resignation was not necessary because of the continuity of employer but also the opportunity to accept a rescission at that point. Much later on 25th October, the day when the notice was ending, it was Mr Goberman who refused to accept the rescission (**Page 63**).
101. From the documentation, it is apparent from exchanges after the resignation that both Ms Halsall and Ms Harrison were aware there need be no change of employer.
102. After Mr Dawson had discovered that he had not got the job at the prison, Ms Halsall advised him to retract his resignation (**Page 66**). Mr Dawson then asked her to tell him how to word this and Ms Halsall messaged the same day (**Page 66**) suggesting this wording:

"Following on from the email of resignation I was not aware of that as a PSC employee I did not need to resign ... therefore as a role of PSC to PSC I rescind my resignation. Forthwith."

103. In consequence, Mr Dawson emailed Mr MacDonald on 24th October 2024 (**Page 63**) as follows:

"Following on from my email of resignation, I was not aware that as a PSC employee I did not need to resign. Therefore, as a role of PSC to PSC I rescind my resignation forthwith."

104. Mr David Goberman, Director of Harbours, responded on 25th October (**Page 63**) as follows:

"Many thanks for your email and as Mac is on leave this week I will answer. Having considered your request, we will not be

accepting the rescinding of your resignation and will be continuing with the original resignation request and employment end date."

105. As explained above, Mr Dawson resigned because of his mistaken belief that he needed to do so, having obtained the conditional job offer on his own initiative and using Jobtrain. When challenged by Ms Sheward, he explained that in his email of 27th September he had not mentioned his job offer and intention to move to the Prison Service because he thought his conditional offer of employment would be sabotaged, a word he used at least twice.
106. On the evidence, I was satisfied that Mr Macdonald was aware that Mr Dawson expected or hoped to be transferring to the Prison Service because he had picked up a rumour although from whom was not identified. In his email, accepting the resignation (Page 53), Mr MacDonald ended it with these words:

"I wish you well in the future, and hope you are successful in your new job."

107. Although Mr MacDonald, when challenged by Mr Quilliam, did not accept that this wording meant that he knew what was happening, together with his other evidence of awareness that something had been happening regarding Mr Dawson and the Prison Service, I am satisfied this wording is indicative that he was expecting that to be the outcome.
108. That there was a bad relationship between Mr Dawson and others in the Harbours Division was apparent from the blunt terms of the resignation email. Mr MacDonald described the relationship between Mr Dawson and Mr Cowley as being "strained." It is not difficult to imagine that the resignation in the troubled circumstances was quite welcome to management because of whatever had gone on prior to January 2024 leading to long-term

absence from work due to workplace stress. As Mr Dawson put it in his resignation email:

"They have set out to collude together to get rid of me."

109. On receipt of the resignation email, there was an opportunity for Mr MacDonald to query whether Mr Dawson was in fact transferring to the Prison Service rather than accepting the resignation at face value. There was ambiguity in the wording of the resignation email because it did not refer to resignation from the PSC.
110. Mr MacDonald knew or ought to have known there would be no change of employer with that move. This would similarly apply to Mr Gooberman as the Director and also Ms Harrison who both received the resignation email. Such a response from any of these three before the resignation was accepted would have prevented this issue arising. Perhaps of them all, it was Ms Harrison from OHR, who knew most of the background and was in a position to alert Mr MacDonald and Mr Gooberman that there would be no change of employer.
111. Mr Cowley, as the line manager, might have been in a position to query what Mr Dawson's intentions were but he had been directed by Mr MacDonald to proceed to follow due process based on Mr Dawson having resigned.
112. That Mr Cowley was uncertain of the position was evidenced in an exchange on 18th October which arose in the following circumstances. Ms Kerrie Guttridge of OHR became aware on 18th October from Mr William Snape of the Recruitment Team that the offer from the Prison Service to Mr Dawson was "being pulled" (**Page 61**) This she knew at 12:08 p.m. On the same day at 1451 p.m. (**Page 60**), she asked Mr Cowley: **"Is Stuart leaving the organisation altogether?"**

113. Mr Cowley replied shortly afterwards (**Page 60**): **"I'm not sure what his future plans are."**
114. On 18th October, Mr William Snape had emailed Mr Andrew Cubbon (HR Business Partner) at OHR (**Page 59**) checking that Mr Dawson had been informed that his offer had been withdrawn and he received a reply shortly afterwards confirming this had been the case and that it was in order to proceed with withdrawing the offer,
115. Mr Snape then messaged Mr Cubbon again (**Page 58**) and copied in Ms Guttridge and made this point:

"Just FYI, Kerrie G in PIP Changes let me know his current manager was trying to end him on PIP today (often happens when candidates are transferring and the current manager thinks they need to terminate them). Just thought I'd let you know in case it comes up."

Application of the Law to the Facts

Mistake of Fact

116. Mr Quilliam had submitted there had been a mistake made by Mr Dawson and that he was entitled to rescind so that the refusal to permit him to do so resulted in an unfair dismissal. He did not draw my attention to any authority as to mistake of fact and Ms Sheward did not address this legal assertion at all.
117. However, I rely on **Bell v Lever Brothers Ltd** as subsequently interpreted and applied in other cases. This was a decision of the House of Lords nearly one hundred years ago. Over the years, it has been subject to much discussion by the judiciary. Two representatives of the company in Nigeria had enriched themselves through trading in cocoa outside of their remit in working for the company. In ignorance of this, on leaving their roles, Lever

Brothers paid them both generous golden parachutes and would not have done so had they known the true facts. Seemingly, the duo had not got in mind their illicit cocoa dealing when accepting their payments. Lever Brothers sued to recover their money. They did not succeed because the mistake they had made was not fundamental enough to the contract.

118. Lord Atkin (Page 217 of the judgment) made this observation:

"If mistake operates at all it operates so as to negative or in some cases to nullify consent. The parties may be mistaken in the identity of the contracting parties or in the existence of the subject-matter of the contract at the date of the contract, or in the quality of the subject-matter of the contract. These mistakes may be by one party, or by both, and the legal effect may depend upon the class of mistake above-mentioned."

119. This was a decision of the House of Lords in the context of the law of contract, that if a mistake of fact is fundamental to the situation and the other party knew or ought to have known of the mistake, then the mistaken party is entitled unilaterally to rescind. On the particular facts, the mistake was not fundamental enough to the situation.

120. J C Smith, author of *The Law Of Contract* published by the Oxford University Press, published an article about the Lever Brothers decision. His interpretation was that, in substance, Lever Brothers were buying a right they already had which was not to make any payment. As he pointed out, you cannot buy something you already have. By analogy, Mr Dawson had the right to continuity of employer although he did not know it.

121. However, I accept that the **Lever** decision involved entering into a contract rather than exiting from one but I consider the principle to be the same.

122. A Court of Appeal decision in **Great Peace Shipping** rejected an equitable doctrine applied (also by the Court of Appeal) in **Solle v Butcher** ruling that was not to be applied when the contract was valid in common law – thus applying to **Lever Brothers** approach.

123. In **Hartog**, it was ruled that a party who knowingly seized on an innocent mistake to his advantage, could not enforce the right that otherwise would have enabled him to uphold the contract. I take it from this that the converse would equally be true and that the innocent party seeking to rescind would be able to rescind. In **Hartog**, the plaintiff was seeking to take advantage of the mistake of the defendants. Mr Justice Singleton made this observation:

“I am satisfied that it was a mistake on the part of the defendants or their servants which caused the offer to go forward in that way, and I am satisfied that anyone with any knowledge of the trade must have realised that there was a mistake.”

124. In my view, Mr Justice Singleton was not saying that it was necessary to establish *actual* knowledge. He was able to draw the inference of knowledge from the circumstances being what was known in the trade.

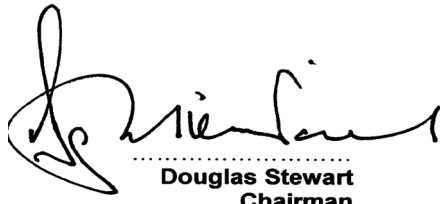
125. In Mr Dawson’s situation, I was satisfied that personnel involved in the situation either had actual knowledge or could and should have realised that Mr Dawson was making a mistake.

126. It is evident that his mistake was fundamental to the notice given because Mr Dawson had no need to resign. Had everything gone according to plan, there was no change of employer. “When the resignation email was received Mr Gooberman, Ms Harrison and Mr MacDonald were aware or ought to have been aware of the mistake.

Ambiguity and the Consequences

127. That apart, although the evidence from the Respondent's witnesses was there was no ambiguity in the wording of the resignation email, I do not accept that. The email stated it was resignation from a position in the Harbours Division. The recipients all chose to interpret that as resignation from the PSC.
128. Management and OHR, being aware that it appeared that Mr Dawson was moving to the Prison Service, could and should have queried whether it was resignation from the PSC or otherwise.
129. My conclusions therefore are as follows:
1. Mr Dawson was entitled to rescind based on his mistake of fact.
 2. Mr Dawson's resignation email was ambiguous and therefore not being clear and unequivocal, it ought not to have been taken at face value.
 3. The surrounding circumstances as known at the time of receipt of the resignation email had to be considered and these also support my conclusion that Mr Dawson was entitled to rescind.

Dated this 26th day of January 2026



.....
Douglas Stewart
Chairman

