

EMPLOYMENT POLICY

Leavers

CONTENTS

1. Scope & Purpose
2. Definitions
3. Resignation
4. Retirement
5. Request to Return following Retirement under the Lothian Pension Fund Scheme
6. Request to Return following Retirement under the Scottish Widows Scheme
7. Termination of a Fixed Term Contract
8. Accrued Holiday Entitlement
9. Lothian Property
10. Repayment of Training Fees
11. Line Manager Responsibilities
12. Exit Interviews
13. References
14. Linked Policies
15. Version Control

1. Scope & Purpose

- 1.1. The purpose of this policy is to inform Lothian employees and managers of the procedure to follow when an employee resigns, retires or their temporary/fixed term/seasonal contract of employment has ended with Lothian. If an employee is dismissed, please refer to Lothians' disciplinary policy.
- 1.2. If an employee wishes to transfer within Lothian, please see the Internal Transfer and Secondments Policy. If an employee wishes to submit a Flexible Working Request, please see the Flexible Working Policy. Both of these policies are available on MyLothian.
- 1.3. This process applies to all employees within Lothian.

2. Definitions

- 2.1. **Lothian Property** means all property belonging to Lothian, including but not limited to, uniform, Ridacards, credit cards, laptops, mobile phones, pen drives and Lothian documentation.

2.2. **Early Retirement** is defined as an employee who reaches the age of 55 and opts to retire early.

2.3. **Fixed Term Contract** - An employee on a contract of employment which is due to end when a specified date is reached (e.g. return of employee from maternity leave) or a completion of specified task/project.

3. **Resignation**

3.1. All employees are responsible for submitting their resignation in writing, by letter or email, to their line manager. Employees should ensure that when submitting their resignation, the correct contractual notice is provided. If an employee wishes to retire, they should ensure the required notice is provided, to allow for the time taken to process their pension.

4. **Retirement**

4.1. There is no legally mandatory age at which an employee must retire; this is a personal choice for each employee.

- 4.2. If an employee wishes to take early retirement and is a member of the Lothian Pension Fund, they must provide a minimum of three months' notice to ensure that the necessary paperwork is completed by our Payroll department and processed by Lothian Pension Fund prior to the employees' last day of employment.
- 4.3. If an employee wishes to retire at their current state pension age and is a member of the Lothian Pension Fund, they are required to provide a minimum of 3 months' notice.
- 4.4. If an employee wishes to take early retirement or retire at their current state pension age and is a member of the Scottish Widows pension scheme, the employee is required to give their contractual notice however it is recommended that the employee contacts their Scottish Widows pension administrator to confirm their intention to retire prior to giving the company notice.
- 4.5. Lothian PCV Drivers and weekly paid engineering employees who retire at or above the age of 65 and have 10 years' continuous service with Lothian are entitled to a full year's holiday entitlement irrespective of when in

the calendar year they retire. Any entitlement used within that holiday year will be deducted from the final holiday balance.

5. Request to Return following Retirement under the Lothian Pension Fund Scheme

- 5.1. If an employee is a member of the Lothian Pension Fund and wishes to access their pension but does not wish to leave, they can apply to retire and return to work on part-time hours. Enquiries should be made with the relevant line manager.
- 5.2. An employee's request to return following retirement will be reviewed and is subject to the following criteria:
 - A vacant position being available;
 - An excellent record of conduct (including no live disciplinary warnings on record prior to retirement);
 - An acceptable attendance record over the last 12 month rolling period;

- A driving standards assessment being undertaken and passed in accordance with the DL25 driving assessment. *Please note this is only applicable to those wishing to return to their role as a PCV Driver:*

5.3. If the above criteria are met, the employee will be subject to the following pre-employment checks:

- Satisfactory confirmation of Right to Work in the United Kingdom;

5.4. It is Lothian's policy that if an employee has met the above pre-employment checks they will:

- Be required to take at least a break in service that includes two consecutive Sundays from their retirement date before returning to work and;
- Be issued with an offer letter and contract of employment confirming their new terms and conditions. Previous service with the company will not count towards continuous service going forward in their new role.

6. Request to Return following Retirement under the Scottish Widows Scheme

- 6.1. If an employee is a member of the Scottish Widows pension scheme and wishes to access their pension and work part-time, they can submit a Flexible Working request. Please refer to Lothian's Flexible Working policy (available from MyLothian) for further information on the eligibility criteria for submitting a request and the subsequent process.

7. Termination of a Fixed Term Contract

- 7.1. Where a fixed term contract is coming to an end the termination of the contract of employment should be regarded as a dismissal in order for the process to be legally compliant.
- 7.2. Employees whose fixed term contract is coming to an end (as per the original appointment and employment contract) will be invited to a meeting to discuss the reasons why the contract is due to expire, which will normally be because a project or task has come to an end or the employee whose substantive role is being covered

is returning to work. The meeting will be arranged to allow sufficient time for written contractual notice to be issued and no later than the required statutory notice to be given.

7.3. Early Termination of Contract

Where it is necessary to terminate a fixed term contract prior to its planned end date, appropriate notice, as set out in the contract of employment, will be given unless the reason for termination is gross misconduct. In this situation, the manager should seek advice from the HR Team in advance of taking any such action. Lothian will not be liable for payment for the remaining period of the fixed term.

8. Accrued Holiday Entitlement

- 8.1. In the event that an employee has an outstanding holiday balance they may be required to take these days prior to their last day of employment however, this is at the discretion of the employee's line manager and the operational requirements of the business.

- 8.2. If an employee is unable to take their outstanding holidays prior to their leave date, they will be paid for these days in their final salary or as soon as possible thereafter.
- 8.3. If an employee has taken more annual leave than they were entitled to prior to their leaving date, the Payroll team must be notified to arrange recovery of the overpaid amount. Where practicable, and subject to compliance with National Minimum Wage and National Living Wage legislation, the recovery may be made from one or more of the employee's remaining salary payments, including but not limited to their final salary.

9. Lothian Property

- 9.1. Employees leaving the business are required to return all property that has been issued by the company. Failure to do so may result in any final payments being withheld or a sum equalling the cost of the items being deducted from the final payment.
- 9.2. Line managers may find it useful to maintain a checklist of all items they would expect to have returned, particularly

where valuable items such as tools and/or electronic devices may have been issued to employees.

10. Repayment of Training Fees

10.1. Where an employee has undertaken internal or external training which has been funded by Lothian and remains within the terms and conditions of their contractual training agreement, the employee will be required to repay to Lothian any outstanding training costs due.

10.2. Line managers are responsible for determining the outstanding amount owed in accordance with the relevant training agreement. When submitting the leaver's memo to Payroll, managers must include a copy of the signed training indemnity form to support the recovery of costs.

10.3. Lothian reserves the right to recover any such sums owed through deductions from the employee's salary. This may include deductions from one or more pay periods leading up to and including the employee's final salary payment,

where notice of resignation or termination allows sufficient time to do so.

10.4. Any deductions made in respect of training cost recovery will be carried out in full compliance with National Minimum Wage and National Living Wage legislation. Under no circumstances will any deduction result in the employee receiving less than the applicable statutory minimum wage for the pay period concerned.

10.5. If any balance remains outstanding following the employee's final payment, the employee will remain personally responsible for repaying the outstanding amount directly to Lothian. Failure to make such repayment may result in legal action being taken by Lothian to recover the sums due.

11. Line Manager Responsibilities

11.1. The line manager is responsible for ensuring that an employee's leaving details are acknowledged in writing and their leaving date is recorded and processed accordingly, including notifications to the relevant

departments. Information on leavers will be shared with the relevant departments based on 'legitimate interest'.

11.2. Line managers must also ensure all Lothian property and equipment is returned prior to an employee's last date of employment.

11.3. In the event that an employee has asked to return following their retirement under the Lothian Pension Fund, the line manager will review their current structure/headcount to confirm whether a return on part-time hours can be accommodated and review the employee's record against the required suitability as outlined in 5.2. In addition, if the employee wishes to return to fulfil their current duties as a PCV Driver, the line manager will organise a driving standards assessment with the Training School.

11.4. Should an employee be transferring to a new role/garage/department, line managers should complete the Internal Transfer Form and ensure this is emailed to the HR Team and Payroll (please see Internal Transfers and Secondments Policy).

11.5. Line managers should refer to the Managers Guidelines for confirmation of the relevant procedure(s) to follow.

11.6. Managers who retain employee files locally must ensure the employee's file is returned to the HR Team, where it will be logged accordingly and stored with all other leaver files for the agreed period. In the case of retiring and returning drivers, managers will retain the original employee file and begin a new top sheet.

12. Exit Interviews

12.1. Lothian recognises the importance of conducting exit interviews with employees who are voluntarily departing the business due to resignation or retirement. The information gathered will provide Lothian with valuable feedback and assist with decisions in relation to policies and procedures, recruitment and retention and diversity and inclusion. While there is no obligation on an employee to complete an exit interview, their participation should be encouraged.

12.2. For all driving employees, the line manager will arrange the exit interview with the employee either face to face,

on the phone or via the Survey Monkey link. For all non-driving employees, a member of the HR Team will arrange the exit interview with the employee. Wherever possible all exit interviews will be completed within the employee's notice period. Where it has not been possible to complete the exit interview within the notice period but the employee is prepared to do so after they have left the company, suitable arrangements will be made. All reasonable efforts will be made to protect the confidentiality of the individuals who complete an exit interview.

13. References

- 13.1 Reference requests for former employees or employees due to leave the business will usually be provided and will follow a specific format. Confirmation of their dates of employment, job title and reason for leaving should be provided. Line managers should forward all reference requests to the HR Team, who will ensure a response is provided. Requests should be sent by email to hr@lothianbuses.co.uk

14. Linked Policies

- Internal Transfers and Secondments Policy
- Flexible Working Policy
- Recruitment & Selection Policy

15. Version Control

Version No.	Date of Change	Change made by:	Key Amendments
V1.0	22.04.2021	F Macdonald	Final
V2.0	30.09.21	S Murphy	Deletion from Clause 5.4
V3.0	17.12.21	P Butler	Addition of 11.4 and change to 11.6

V3.1	30.03.22	H Devereux	Updated to 1.2 and 6.1
V4	11.03.2024	P Butler	Updates to 12.2 regarding who conducts exit interviews and change in reference from People Team to HR
V5	17.02.2025	P Jardine	Amendment to 4.3 regarding notice given to retire if LPF.
V6	April 2026	P Jardine	Updates to 4.5, 8.3, 10.1. Addition of

			10.2, 10.3, 10.4, 10.5.
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This policy does not form part of employees' terms and conditions of employment and may be varied from time to time in accordance with business and legislative requirements.