



Queen Margaret University

EDINBURGH

## Exit Management Policy & Procedure

<b>Policy Summary:</b>	The Exit Management Policy and Procedure provides staff and managers guidance on staff resignation, end of fixed term contracts and retirement from the university
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## **Principles**

This policy and procedure provides guidance for both staff and managers in respect of the relevant procedures for termination of employment in the following circumstances

- Resignation by the employee;
- Termination of the fixed term contract;
- Retirement.

This policy does not cover terminations arising from the application of the University's Disciplinary Policy. Managers should refer to the University's Disciplinary Policy.

## **Policy Aims**

The main aims of the policy are:

- To ensure the provision of fair and consistent treatment to staff members upon the termination of their employment with the University.
- To ensure that staff and managers are aware of their responsibilities in respect of the termination of employment.
- To ensure that the University meets its obligations to its employees under their contract of employment and appropriate legislation.

## **Monitoring and Review**

Human Resources are responsible for monitoring the effectiveness of this policy and supporting procedures. The policy will be reviewed as required and in line with the HR policy review schedule and appropriate employment legislation.

## **Equal Opportunities**

QMU is committed to equality of opportunity for all staff and the terms of this policy and are designed to ensure the fair and transparent treatment for all staff irrespective of the equality characteristics or contractual status.

## **Learning and Development**

Human Resources will provide learning and development for all managers and staff involved in the implementation and application of this policy. This will be reviewed and extended in line with the on-going development of the policy.

## **Scope of the Policy**

This policy is relevant to all core employees of the University.

## **1.0 Termination of Employment by Employee**

Where an employee decides to resign from their position they should confirm this in writing to their line manager. A copy of the resignation letter should also be sent to Human Resources.

### **1.1 Notice Arrangements**

Upon receipt of a resignation letter the line manager should agree an end date with the employee taking into account the period of notice in the employee's contract of employment.

It is at the manager's discretion should the employee wish to work a shorter notice period than their contractual notice. Should such an agreement be reached the University will only pay the employee for the portion of the notice period that is worked and the employee will be asked to sign an agreement stating that they are agreeable to working a shorter notice period than their contract of employment states.

If the employee decides not to work their full contractual notice without the prior agreement of their line manager the University will only pay the employee for the portion of the notice period that is worked.

### **1.2 Annual Leave Arrangements**

Upon resignation the employee should check the number of days holiday entitlement they have outstanding. Human Resources can advise on the pro rated entitlement should the employees end date be during the annual leave year.

Where the employee has outstanding annual leave it is at the discretion of the line manager as to whether payment is made to the employee for the outstanding days or whether annual leave is taken prior to the employees leaving date.

Should an employee decide not to work their full contractual notice without the prior agreement of their line manager the University will consider this a breach of contract and may decide not to pay the employee for any outstanding annual leave at the employment end date.

Should an employee have exceeded their annual leave entitlement and have a negative annual leave balance at the date of leaving, the hours/days due to the University will be deducted from the employee's final salary.

### **1.3 Documentation for Completion**

Upon receipt of the employees resignation letter Human Resources will send a Leaver Form to the employee.

The employee should complete section one of the Leaver Form and forward to their line manager for authorisation, the Leaver Form should then be forwarded to Human Resources.

It is the joint responsibility of the employee and the manager to ensure that the Leavers Form is completed and forwarded to Human Resources in good time to avoid over payments and to ensure that the necessary arrangements are made for the employee's final pay.

Upon receipt of the resignation letter Human Resources will also send the employee a link to the online Employee Exit Questionnaire. Employees should ensure that they complete the questionnaire prior to their employment end date.

#### **1.4 Access to QMU Systems**

All access to QMU systems will be terminated on the leaving date.

Only in exceptional circumstances will access to systems be extended beyond the leaving date, in such cases the extension must be for a specific reason and be authorised by the Dean or Head/Director.

#### **1.5 Documents**

Arrangements should be made for continuity of access to physical and electronic documents or files important to the University. It is important to preserve access to important documents for future reference.

#### **1.6 QMU Property**

Should the employee have been issued with University property in support of their current role (eg laptop, mobile phone, books, smartcards keys etc) The line manager must ensure that such items are recovered near to or on the day of departure.

## **2.0 Termination of a Fixed Term Contract**

### **2.1 Relevant Legislation**

The Employment Act 2002 (Dispute Resolution) Regulations 2004 came into force on 1 October 2004 and set out a statutory minimum dismissal procedure which must be applied to all staff.

The Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002 came into force on 1 October 2002 to ensure that staff on fixed term contracts are not treated less favourably than staff on similar permanent contracts.

The Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations confirm that the expiry or non-renewal of a fixed term contract is a dismissal in law on the grounds of redundancy. Therefore statutory dismissal procedures apply to staff on fixed term contracts.

Any issues that arise in relation to an employee's capability, performance or conduct should be dealt with through the relevant procedure (further information is available from HR). Managers should not rely on the duration of an employment contract as a method of termination on the grounds of conduct or capability.

Fixed employment contracts may come to an end for one of the following reasons, this list is indicative and not exhaustive;

- i. The funding for the post was limited to a specified period and there is no foreseeable prospect of securing further funding to extend the duration of the post.
- ii. The appointment has been made to undertake a specific project which has been completed.
- iii. The appointment was made for a fixed term to cover maternity/sickness leave and either the fixed term has come to an end or the person on maternity/sick leave is planning to return to work.

### **2.2 Series of Fixed Term Contracts**

The University recognises that there may be situations where a fixed term contract is extended beyond the originally planned end date. Where a member of staff has been on a fixed term contract continually for a term of four years and unless the University can objectively justify not doing so the employee will automatically be issued with an open ended contract.

In cases where the funding for the post covered by the fixed term contract, is limited i.e. project funded, the contract may still be subject to redundancy proceedings through the appropriate consultative process.

### **2.3 Bridging Funding**

The university recognises that there may be cases where fixed term contracts (normally for research staff) are coming to an end before the outcome of further funding applications is known, in these circumstances it is possible for a line manager to request bridging funding.

Bridging funding is defined as university funds used in order to cover employment costs until the outcome of an external funding application is known. Applications for bridging funding should be made via the Vacancy Approval Panel for their consideration.

## **2.4 End of Fixed Term Contract Procedure**

In order to comply with legislation the University must follow a minimum three-stage process when ending any fixed term contract. Simplified, the required process is as follows:

- i. Written invitation to consultation meeting
- ii. Consultation
- iii. The right to appeal

Should the University fail to follow the minimum 3 steps the dismissal could be deemed as unfair which could lead to a claim to the employment tribunal.

The following procedure for dealing with the end of fixed term contracts ensures we meet our obligations under the legislation outlined above and provides appropriate support to employees facing the end of a fixed term contract.

This procedure must be followed for all contracts that are over ten months in duration.

The procedure highlights the timescales that must be followed at each stage to ensure the process is completed in good time of the proposed contract end date.

A delay in instigating any stage of this procedure may be resultant in an extension of the employment contract to allow the contract to be terminated fairly.

### **Stage 1: Notification and Invitation to Consultation Meeting**

In order to allow for meaningful consultation to take place at a formative stage in the process employees will be invited to consult over the future of their fixed term contract in line with the timescales set out below. It should be noted however, that decisions regarding the future of contracts linked to external funding may be governed by timescales set by the external funder, nevertheless the employee will be kept informed while this process is undertaken.

HR will contact the line manager to notify them that a member of their team is nearing the end of a fixed term contract two months before the employees notice period as outlined below

<b>Notice Period</b>	<b>HR Contacts Line Manager</b>
Three Months	Five months prior to the end date of the contract
Two Months	Four months prior to the end date of the contract
One Month	Three months prior to the end date of the contract

HR will ask the manager to confirm whether there will be an extension to the fixed term contract or whether they foresee that there will be no extension and consultation proceedings should commence.

If the line manager advises that there is to be an extension to the fixed term contract a VAP Form should be prepared and submitted, where the funding for the post is project based the fast track VAP route can be utilised.

Where the line manager confirms that it is not envisaged there will be an extension to the fixed term contract or where they are unsure if there is likely to be an extension to the contract the employee will be invited to attend a meeting to discuss the potential end of their fixed term contract.

HR will write to the employee, placing them at risk of redundancy due to the potential non renewal of a fixed term contract. The letter will invite the employee to a meeting with their line manager and HR and will advise them that they have the right to be accompanied by a trade union representative or work colleague. The employee will be given at least five days notice of the meeting.

If the individual or his/her representative is unable to attend or fails to attend due to unforeseen circumstances, the meeting will be rearranged once within five days of the original date. If the individual does not wish to attend or fails to attend without giving notice, a decision regarding the termination of their employment will continue to be made in the absence of further consultation.

### **Stage Two: The Consultation Meeting**

The purpose of the consultation meeting is to:

- i. clarify the reasons for the potential non-renewal of the contract,
- ii. give the employee the opportunity to make representations with regard to the termination of their contract, ask questions or raise any relevant issues.
- iii. discuss the feasibility of taking action to avoid the dismissal e.g. the possibility of additional funding becoming available thus permitting the individual's employment to be continued.
- iv. inform the employee that they have been added to the University's Re-deployment Register and summarise the process for redeployment.
- v. discuss the support that is available to employees whose post is at risk of redundancy, such as, the right to time off to seek alternative employment, relevant training opportunities and access to careers advice.
- iv. Where relevant, entitlement to a statutory redundancy payment should also be discussed.

Any potential course of action identified during the meeting, or new points raised, should be investigated promptly and resolved within five working days of the meeting.

It may be necessary to meet again depending on the outcome of any issues raised or investigated, if this is the case HR will contact the employee to arrange this meeting and the same provisions as above will apply.

If it is not deemed necessary to meet again then a letter will be sent to the employee to inform them of the outcome of the consultation.

If the outcome is that the employee's contract will terminate at the end of the fixed term contract HR will write to the employee giving them the appropriate notice of the termination of their contract on the grounds of redundancy due to the expiry of a fixed term contract.



### **Stage 3: Appeal**

Employees who wish to appeal against the decision to end their fixed term contract must submit notice of their appeal in writing to the Head of Human Resources within five working days of receiving their notice of termination letter. This notice of appeal should clearly set out the grounds of the appeal.

On receipt of the employees appeal letter, arrangements will be made for an appeal hearing to take place as soon as is reasonably practicable, and wherever possible prior to the proposed end date of the contract. The member of staff will be notified of the date and place of the appeal hearing within five working days of HR receiving the appeal letter.

The appeal will be heard by a senior manager who has not previously been involved in the case. The senior manager will be a manager identified by the Head of Human Resources in consultation with the relevant line manager/Dean/Director. A member of HR will also be present at the appeal meeting to advise the panel and take notes.

The employee will have the right to be accompanied at the appeal meeting by a trade union representative or work colleague.

The employee will normally be notified of the outcome of the appeal orally within one working day, and in writing within five working days of the hearing.

The decision reached following the appeal hearing is final.

If the appeal is upheld, the employee's continuity of service will be preserved and arrangements made for their employment to continue.

If the appeal is not upheld, the employee's contract will terminate as detailed in the termination letter and notice will be deemed to have been given on the date on which the employee was informed of the termination of their contract in the notice of termination letter.

### **2.5 Notice of Termination**

Employees on fixed term contracts should be given their notice of termination in line with their contractual notice period. If the consultation period has taken longer than expected the end date of the contract may need to be extended to accommodate this.

It would normally be expected that the employee will work their full contractual notice however there may be special cases where the University will pay in lieu of notice (PILON). This would be at the discretion of the line manager/Dean/Director.

### **2.6 Statutory Redundancy Payment**

A statutory redundancy payment will be payable for those employees that have two years continuous service at the end of their fixed term contract.

The redundancy payment is not subject to tax and NI.

Information regarding the calculation of the statutory redundancy payment will be given to the employee during the consultation and confirmed to them in their notice of termination letter.

The redundancy payment will be paid to the employee in their final salary together with any payment for outstanding leave in agreement with their line manager.

<https://www.gov.uk/calculate-your-redundancy-pay>

### **3.0 Termination of Employment for Retirement**

#### **3.1 Relevant Legislation**

The Employment Equality (Repeal of Retirement Age Provisions) Regulations 2011 came into effect on 6<sup>th</sup> April 2011 abolishing the default retirement age of 65 for all employees effective from 1<sup>st</sup> October 2011. In line with this legislation the University has no default retirement age and it is no longer permissible to dismiss an employee on the grounds of reaching retirement age.

#### **3.2 Workplace Discussions Regarding Retirement**

The University encourages open discussion regarding employees' future planning, encompassing short, medium and longer term planning. It is hoped that in adopting an open and transparent approach to discussions regarding future planning managers are able to put in place appropriate succession plans and are able to support employees in planning for their retirement where appropriate.

The University's Performance Enhancement Review (PER) should comprise discussion regarding future plans for all staff, therefore managers and employees may find having a workplace discussion regarding retirement plans as part of their PER to be an appropriate forum. Whilst the University encourages employees to be open regarding their future plans to allow for succession planning any discussions regarding retirement should be voluntary and non discriminatory.

Further guidance for managers with regards to holding workplace discussions with employees is available from Human Resources.

#### **3.3 Procedure for Indicating Intention to Retire**

As described above employees are encouraged to give as much notice as possible of their intention to retire however employees must give at least five months notice. Employees should also bear in mind that normally the pensions agency require at least four months to process retirement applications so that the employees pension is payable from the retirement date.

Once the employee has decided on their retirement date the Notification of Intention to Retire form should be completed and sent to the line manager. Once the line manager has reviewed the details and discussed with the employee the Notification of Intention to Retire form should be submitted to Human Resources.

Where the employee intends to retire prior to the normal pension age (as prescribed by their pension provider) this should be indicated on the Notification of Retirement form. Employees should be aware that if they opt to retire before their normal pension age this will have an effect on their pension benefits.

Upon receipt of the Notification of Intention to Retire form Human Resources will write to the employee to confirm their retirement date. Relevant paperwork for the pension scheme will also be completed by Finance and sent to the relevant pension provider.

### **3.4 Pension Rights and Benefits on Retirement**

University employees can be members of the following three pension schemes; Scottish Teachers Superannuation Pension Scheme (STSS); Universities Superannuation Scheme (USS) and Lothian Pension Fund (LPF).

Employees should contact their pension scheme directly for pension quotes or for any other queries related to their pension benefits.

Further information with regards to the pension schemes can be found at the following website addresses:

Scottish Teachers Superannuation Scheme (STSS)

<http://www.sppa.gov.uk/>

Universities Superannuation Scheme (USS)

<http://www.uss.co.uk/>

Lothian Pension Fund (LPF)

<http://www.lpf.org.uk/>

### **3.5 Support for Employees Planning for Retirement**

The decision to retire is one of the most significant decisions that an individual will take. The implications will impact on the employee's family life, social life and financial situation representing a restructure to an employee's, potentially long established, work-life balance. To help support employees for retirement QMU provides pre-retirement training. This is a training programme that raises awareness of potential retirement issues and helps the employee to plan for them.

If you would like to attend a retirement training course or would like further information please speak with a member of the HR team.

## **4.0 References**

### **4.1 Certificate of Service**

Upon receipt of a reference request for a former employee of the University Human Resources will issue a certificate of service to the organisation requesting the reference. The certificate of service will include details regarding employment dates; position held and salary upon leaving. Should the requester require further information regarding attendance or disciplinary record these details can also be provided upon request.

## **4.2 Character References**

Anyone within the University can provide a character reference for a former employee should they be requested to do so. Such references are provided by the individual and not on behalf of the University. When providing such a reference individuals should take care to ensure that the information they are providing is both factually accurate, fair and not misleading. Further guidance regarding providing such references is available from Human Resources.

## **5.0 Responsibilities**

In order to ensure that this policy and procedure are applied fairly and consistently the responsibilities of each of the stakeholders are summarised below. The stakeholders of this policy include the employee, line manager, employee representative and Human Resources.

### **i. Employee's are responsible for:**

- Ensuring that they are familiar with the University's procedures on the termination of employment and the associated administrative procedures are completed in good time;
- Providing the University with the appropriate contractual notice should they decide to terminate their employment;
- Making every effort to attend meetings with regard to discussions around the proposed termination of a fixed term contract;
- Make use of available employee assistance such as the employee counseling service where required;
- Upon leaving, ensure that all University property is returned to the University;

### **ii. Line Manager's are responsible for:**

- Ensuring that they are familiar with the University's procedures on the termination of employment and the associated administrative procedures are completed in good time;
- In the case of terminations on the expiry of a fixed term contract ensuring that alternative options raised during the consultation process are fully exhausted prior to the employee being given notice of termination;
- Ensuring that the employee is aware of available employee assistance such as the employee counseling service;

### **iii. Employee Representative's are responsible for:**

- Making every effort to attend meetings with regard to discussions around the proposed termination of a fixed term contract;
- Providing guidance and support for employees;
- Ensuring that the employee is aware of available employee assistance such as the employee counseling service;

### **iv. Human Resources are responsible for:**

- Ensuring the appropriate advice and guidance to employees, line managers and employee representatives on the interpretation and application of this policy and procedure;
- Ensuring that the appropriate documentation is issued and timescales are adhered to as described in the procedure;

- Ensuring that the actions taken under this procedure are fair and compliant with the appropriate employment legislation.