

Settlement Agreement Policy

Prepared by	Corporate Services Manager
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Reviewed by	Audit & Business Sub-Committee

Corporate Fit	Internal Management Plan	✓
	Risk Register	✓
	Business Plan	✓
	Equalities Strategy	✓
	Legislation	✓

Keep in touch

868 Tollcross Road | G32 8PF
 0141 763 1317
info@tollcross-ha.org.uk
www.tollcross-ha.org.uk

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 乐意翻译

Our policies provide a framework to underpin our vision and values, to help us achieve our strategic objectives.

Our Vision

Local people, local control.

By providing quality homes and services, we will create stronger communities and a better quality of life for our customers.

Our Values

- Focused on the needs of our customers and communities.
- Supportive of our staff and Committee members.
- Responsible, efficient, and innovative.
- Open and accountable.
- Inclusive and respectful.
- Fair and trustworthy.

Strategic Direction

Consolidation and improvement: Applicable to our core business as a landlord & property manager.

Growth: Through the new build opportunities, we are taking forward.

Partnerships: Where this can help to address shared goals and increase capacity and value.

Resilience: A key priority across all parts of our business.

Strategic Objectives

Services: Deliver quality, value for money services that meet customers' needs

Homes & neighbourhoods: Provide quality homes and neighbourhoods.

Assets: Manage our assets well, by spending wisely.

Communities: Work with local partners to provide or enable services and activities that benefit local people and our communities as a whole

Our people: Offer a great workplace environment that produces a positive staff culture and highly engaged staff.

Leadership & Financial: Maintain good governance and a strong financial business plan, to ensure we have the capacity to achieve our goals.

Our Equalities and Human Rights Commitment

We understand that people perform better when they can be themselves and we are committed to making the Association an environment where employees, customers, and stakeholders can be open and supported. We promote equality, diversity, and inclusion in all our policies and procedures to ensure that everyone is treated equally and that they are treated fairly on in relation to the protected characteristics as outlined in the Equality Act 2010.

Privacy Statement

As data controller we will collect and process personal data relating to you. We will only collect personal information when we need this. The type of information we need from you will vary depending on our relationship with you. When we ask you for information, we will make it clear why we need it. We will also make it clear when you do not have to provide us with information and any consequences of not providing this. We are committed to being transparent about how we collect and use your data, and to meeting our data protection obligations with you. Further information about this commitment can be found within our full Privacy Statements.

Policy Scope & Review

For the purpose of this policy the term Association will include all members of the Tollcross Housing Association Limited. Therefore, all employees, governing body members, volunteers, customers and other relevant stakeholders will be expected to adhere to this policy and/or procedure. All policies and procedures are reviewed every 3 years in line with best practice and current legislation. The Association reserves the right to make additions or alterations to this policy and procedure from time to time. Any timescales set out in this policy may be extended where required.

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1. Introduction

- 1.1. We aim to build a workplace culture where employment concerns or disputes can be addressed in line with our employment policies and procedures (e.g. performance management, disciplinary and grievance). However, we also understand that Settlement Agreements are a useful tool in managing workplace concerns.
- 1.2. We will conduct all Settlement Agreements and relevant processes in line with the ACAS Code of Practice. The purpose of this policy is to provide specific authorities and limitations available in relation to Settlement Agreements.

2. Regulatory Requirements

- 2.1. We are a registered social landlord, and as such, we must adhere to the standards of Governance and Financial Management (as issued by the Scottish Housing Regulator). In line with these standards, we will ensure that we put value for money at the core of any Settlement Agreement we enter into (including a cost/risk assessment of the potential outcome if the matter was escalated to an Employment Tribunal / Court Action).
- 2.2. Chapter 3 of the Scottish Housing Regulator's Regulatory Framework states that the Association must comply with, and submit information to them in accordance with, their guidance on Notifiable Events. The Association shall report any severance payment to and/or settlement agreement with a staff member in accordance with the Notifiable Events Guidance.

3. Background

- 3.1. A Settlement Agreement, is a voluntary agreement, which sets out the terms and conditions agreed by both employee and employers to 'settle' a dispute. They are normally reached through discussions with the parties.
- 3.2. Settlement Agreements are legally binding and normally waive an employee's right to bring a claim covered by the agreement (e.g. raise an employment tribunal or court action). An employee must seek independent legal advice before entering into a Settlement Agreement (we will pay a contribution of up to £300 plus VAT towards this requirement).
- 3.3. Settlement Agreements will often be used to bring the employment relationship to an end in a conclusive and binding manner. However, they can also be used to deal with other types of workplace disputes, such as: changes to working patterns; disputes over overtime arrangements; introduction of new grading systems and similar.
- 3.4. We may consider their use where the employment relationship with one of our employees has irretrievably broken down; or, where it has broken down between employees – and where none of our existing policies offer a suitable method to resolve the problem.
- 3.5. Settlement Agreements can be offered at any stage of an employment relationship. There are no legal requirements to go through a formal dispute process (e.g. disciplinary or grievance) before entering into an agreement.

4. Agreement Details

- 4.1. Disputes in which employees are remaining in our employment may be settled with a variety of monetary and/or other provisions as are pertinent to the matters at hand.

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- 4.2. Where a dispute results in the employee leaving our employment (or a similar issue with a former employee resulting in their waiving any rights to approach an employment tribunal) the main tool in settling the matter will generally be to pay an agreed financial sum to the employee.
- 4.3. In no circumstances will the total value of any ex-gratia payment exceed the upper limit achievable (weeks' pay basis) within our redundancy pay arrangements.
- 4.4. We also acknowledge the need to pay contractual elements as may be due, such as notice pay and outstanding holiday pay. These elements will be subject to income tax and national insurance contributions in the normal way.
- 4.5. We may consider including other "one-off" components within an agreement. For example, we may waive training and education costs payable. The realistic value of such items will be taken into account and will be included as part of the ex-gratia cap (4.3).
- 4.6. We will provide a factual reference, upon request. This will only confirm the dates of employment, post title, key duties, and relevant salary range.
- 4.7. As standard, any agreement will include the expected provisions confirming that both parties will maintain suitable confidentiality in relation to the terms of the agreement and the requirement not to disclose these.
- 5. Authority to act**
- 5.1. The Leadership have delegated authority, in line with the Standing Orders, to act within the limitations of this policy. The governing body will be notified of any Settlement Agreements through the 'notifiable event' process.

Appendix 1 – Equality & Human Rights Impact Assessment

Policy	Settlement Agreement		
EIA Completed by	Corporate Manager	EIA Date	July 2025

- 1. Aims, objectives, and purpose of the policy / proposal**
The aim of the policy is to provide a clear framework of authority and limitations associated with settlement agreements.
- 2. Who is intended to benefit from the policy / proposal?**
All employees and governing body members.
- 3. What outcomes are wanted from this policy / proposal?**
To provide details of authority and limitations of what the Association can offer in terms of settlement agreements.
- 4. Which protected characteristics could be affected by proposal?**

<input type="checkbox"/> Age	<input type="checkbox"/> Gender reassignment	<input type="checkbox"/> Religion or belief
<input type="checkbox"/> Disability	<input type="checkbox"/> Marriage & civil partnership	<input type="checkbox"/> Sex
<input type="checkbox"/> Race	<input type="checkbox"/> Pregnancy and maternity	<input type="checkbox"/> Sexual orientation
- 5. If the policy / proposal is not relevant to any of the protected characteristics listed in part 4, state why and end the process here.**
The policy provides boundaries in relation to a legislative tool – they do not impact on any characteristics as they are global boundaries.
- 6. Describe the likely impact(s) the policy / proposal could have on the groups identified in part 4**
- 7. What actions are required to address the impacts arising from this assessment? (This might include; collecting data, putting monitoring in place, specific actions to mitigate negative impacts).**
- 8. Consider the impact and actions to be considered for the following Human Right articles:**

Article 6: Right to a fair trial Everyone should be given the opportunity to participate effectively in any hearing of their case and present their side.	
Impact: n/a	Actions:
Article 8: Right to respect for private life, family life & the home Everyone has the right to access and live in their home without intrusion or interference.	
Impact: n/a	Actions:
Article 14: Prohibition of discrimination Everyone has equal access to the other rights contained in the Human Rights Act.	
Impact: n/a	Actions: