**SETTLEMENT AGREEMENT - last updated / checked: December 2021**

It is basically a resignation but **is usually** more beneficial to you

**GENERAL OBSERVATIONS**

* **You must NOT tell any of your colleagues you are leaving - the whole deal is immediately confidential**
* **If you do not secure a new post to start immediately after your current post, there will be a break in your continuous service which will affect eg maternity rights, sickness absence entitlements and future redundancy pay**
* **Note that working for a Supply Agency will also bring an end to any accrued benefits**
* **Some schools do not recognise rights accrued if you are coming from an Academy - check first**

**Advantage(s):**

* **You may be allowed to leave before the end of your notice period (“Garden Leave”) and so if eg on capability, no more lesson observations**
* No more Progress Meetings, Action Plans or Occupational Health visits
* You will be able to **register** for work eg with Supply Agencies, and attend interviews for potential posts
* You will normally still get paid until the end of a full term if you are a teacher
* **You can negotiate a reference (“Agreed Reference”)**
* **The Settlement Agreement should contain a clause that states neither you nor your employer can tell a third party (new school, Supply Agency) that you have an Agreed Reference, as many interpret this as meaning you were an unsuitable employee, and would therefore not want to employ you**
* If you resign before you reach **formal** capability, this will not be recorded on your reference
* **In conversations with a third party, your employer has to follow the “spirit” of the Agreed Reference - ie they cannot deviate significantly from what they have said about you on paper - and certainly cannot mention any eg sickness, capability or disciplinary issues that led up to you resigning**

**Disadvantage(s) - please note this is not an exhaustive list:**

* You are limited in the benefits you can claim as you deliberately made yourself unavailable for work
* There may be difficulties in paying off your mortgage or loans (you MUST read the small print and check with the appropriate organisation directly)
* **Your employer makes part of any Agreement that you "draw a line" under any other business, so if eg thinking of suing them, that would have to stop**
* You cannot **start** any Supply job until your current post expires
* **Any reference negotiated will concentrate on your strengths and positive contributions to the school -** but obviously it still may not be good enough to secure a job on its own
* Resigning before a disciplinary Hearing may not stop it being reported on your reference. If you are a teacher, safeguarding and other serious issues will still be reported to the national disciplinary panel that determines whether you should be barred from the profession
* Supply Agencies often have a question like: "Would you employ this person again?" - if your Head / Principal answers "no", you will find it very difficult to secure work
* ***If there is extra money mentioned in the SA, it is not released until the SA has been signed off by all parties. If that hasn't happened before what would have been your next pay date, you may not have enough to cover your bills until the money arrives, so budget in advance to allow for this***

**SETTLEMENT AGREEMENT - TYPICAL STEPS AFTER ACCEPTANCE
- last updated / checked: December 2021**

1. I have to fill in a pro-forma that accompanies the Settlement Agreement (SA) and Agreed Reference (AR) when I send it off to the NEU. You need to send me the following information as soon as possible:
2. Date of birth
3. Job title
4. Current gross salary
5. Monthly net salary
6. pay scale eg G6, M4, UPS2 + TLR2a etc
7. You also need to send me as soon as possible, a list of your achievements and strengths that you would like your employer to mention in the AR. Keep it to about half a page
8. Your employer’s HR legal representative will send me the SA and AR
9. I will check the SA to ensure the main points (usually just the leave date and amount) are correct
10. I will check that the AR contains as much info as possible that you requested
11. I will forward both to you. ***Please note the SA is for reference only*** so you can see what it looks like. Check the AR. Please note your employer may not include all the points you ask them to
12. If you are not completely happy with the AR, tell me what you would like amended and I will request said alterations. Please note your employer may not make the amendments if they think what you have asked them to alter may be challenged by a future employer at a later date
13. If you are happy with the AR (or you have no other option because your employer refuses to alter it any further), I will send off the SA and AR to the NEU with the pro-forma mentioned above. My involvement usually ends here
14. You will be assigned a legal Caseworker who will contact you via email to introduce themselves. They will go through the SA and AR, and any issues they find will be taken up directly with your employer’s HR legal representative. You may or may not be copied into their correspondence, but it makes no difference if you are not
15. If there is anything you want to know about the AR or SA, you will need to contact the NEU Caseworker via email, and they will get back to you
16. Once the NEU and your employer’s HR legal representative are happy with the SA and AR, you will be sent an electronic copy to sign and instructions regarding what to do next
17. Once completed, you will be notified any settlement amount will be paid, usually by a BACS transfer
18. ***If there is extra money mentioned in the SA, it is not released until the SA has been signed off by all parties. If that hasn't happened before what would have been your next pay date, you may not have enough to cover your bills until the money arrives, so budget in advance to allow for this***
19. If there have been capability, safeguarding or professional conduct (Teachers’ Standards) issues, you may be referred to the appropriate bodies if you are a teacher (currently the DBS and TRA). If this happens, contact me and I will let Regional Office know, as they deal with such matters