**Without Prejudice – Subject to Contract**

**COT3 Agreement**

**Parties**

Name of Employee:    
Job Role:    
(referred to as *Employee* throughout this Agreement)

and

**London Borough of Waltham Forest**  
(referred to as *Employer* throughout this Agreement)

Together the Parties, have entered into this Agreement through the conciliation of the **Advisory Conciliation and Arbitration Service (ACAS)**, in accordance with sections 18, 19 and 19A of the *Employment Tribunals Act 1996* and have agreed as follows:

**Agreement**

1. It is the Parties express intention by this COT3 to settle any claims wherever brought relating specifically to payment of holiday pay for the period from 1st April 2018 to 31st March 2022.
2. The Employer recognises that there are workers who have worked overtime, in addition to their normal contractual hours. In recognition of this and where there has been a failure to correctly calculate holiday pay or a failure to factor in overtime pay in holiday pay calculations the Employer will agree to pay the Employee the difference. The Employer agrees that those Employees affected will receive a backdated payment at 1st April 2021 pay rates for the period 1st April 2018 to 31st March 2022.
3. The terms of this COT3 are legally binding between them, having acted of their own free will and without duress.
4. The Respondent shall, without admission of liability, pay to the Employee a settlement sum which forms part of this Agreement.
5. For the avoidance of any doubt, the Employer’s annual leave year commences from 1st April through to 31st March the following year.
6. The Employee will receive a total sum of £xxx and this sum compromises of the following breakdown:

**Overtime Hours Only**  
a) The Employer agrees to pay an amount of £xxx which represents the holiday pay that the Employee should have received for having undertaken overtime during the period 1st April 2018 to 31st March 2022. This payment has been calculated at 1st April 2021 pay rates. This payment is subject to tax, national insurance contributions and is not pensionable. The Employer accepts that it is possible some Employees have been paid holiday pay on overtime hours, but this may not have been calculated correctly and in this situation the Employer will ensure the Employee is not disadvantaged and it is this difference in pay which will be paid to the Employee.

b) The Employer will also pay £xxx which represents compensation of 6.8% for pension loss for the period 1st April 2018 to 31st March 2022, this payment only applies where there has been a failure to properly calculate or take into account overtime on the holiday pay calculation. This is calculated as 6.8% of the offer set out at clause 6(a) of this Agreement. This payment will be subject to deductions for tax and National Insurance, as applicable. This payment will not be liable for pensionable contributions.

1. The payments referred to at clause 6 will be made after being notified by ACAS that this Agreement is legally binding and will be paid within the next available payroll date.
2. Only Employees who were members of the Local Government Pension Scheme will receive the pension loss payments referred to at clause 6(b) of this Agreement.
3. The payments referred to at clause 6 are in full and final settlement of the following:

a) In full and final settlement of all holiday pay claims relating to overtime for the period 1.4.18 to 31.3.22, including pension loss claims which the Employee could have against the Respondent under the Working Time Regulations 1998, Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, Employment Rights Act 1996 and Equality Act 2010.

1. The Employee and the Respondent shall keep the terms of this settlement confidential except where disclosure is to HM Revenue and Customs and / or the government in relation to those in receipt of statutory benefits, as required by law or, where necessary and appropriate, to their legal or professional advisers (including trade union officials) or immediate family (provided that they agree to keep the information confidential).
2. The Employee and Respondent will continue to comply with their obligations (both express and implied) under their contract of employment.
3. The Employee will not be prevented for making a protected disclosure under Part IVA of the Employment Rights Act 1996, making a disclosure to any regulator regarding any malpractice, reporting a criminal offence to any law enforcement agency or assisting with a criminal investigation of prosecution.

**Execution**

To be agreed by Employee via online means provided by ACAS

Signed by Employee: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Dated:

Signed by Respondent:  
**Mark Hynes**  
Director of Governance and Law  
Dated: **02 July 2025**