

Dear [Employee Name]

FURLOUGH LEAVE

We are writing to you regarding the impact of the COVID-19 virus on [NAME OF EMPLOYER [the “Company”]] For the foreseeable future we [are operating on an emergency footing with a substantially reduced staff][have temporarily ceased all operations] [FURTHER DETAILS OF THE CHANGES THE EMPLOYER IS MAKING WHICH EXPLAIN THE NEED FOR FURLOUGH LEAVE]. We now need to seek your agreement to vary the terms of your contract of employment with the Company. This is so that we can implement and take advantage of the Government’s Coronavirus Job Retention Scheme (the “Scheme”), in order to avoid making the redundancies or lay-offs that would otherwise be necessary.

From [DATE¹] [until [DATE²]] you will be placed on ‘Furlough Leave’. This means that your contract of employment continues, but you are not required to come into work. During the period of Furlough Leave, we will pay you [salary³] and your holiday entitlement will continue as per your contract of employment. We will make any deductions that are required under the Scheme, such as National Insurance, income tax and pension contributions. As far as practicable, payments will be made on your normal pay days.

While we are in an unprecedented situation, we would like to reassure you that, when your Furlough Leave ends, we very much hope to be in a position where you can return to work. If, however, this is not possible, we will consult with you at the relevant time.

During your Furlough Leave, your contract of employment continues and you may not undertake paid work for any other organisation, or on your own account if so stated in your contract of employment⁴.

In order to facilitate communications during your Furlough Leave, please confirm the best email address and phone number for us to use to reach you. If you do not have an email address, please confirm your current phone number and postal address. Please do this by [updating your personal details on the company’s [intranet/HR portal] / emailing or texting your details to [email address and mobile number for appropriate company contact person]] by [DATE].

As noted above, in the event that work resumes at the company, we may bring your Furlough Leave to an end before the Scheme ends. This may require you to return to work at short notice, but we will try to give you at least [NUMBER] days’ notice of when we need you to return. We will therefore expect you to check your email/post/phone regularly during your Furlough Leave, and to respond to our communications where requested within any timeframe specified.

If you need to contact the company at any time during your Furlough Leave or have any questions, please contact [your line manager / HR] in the first instance, via [email and telephone contact details].

¹ The earliest date this may apply is 1st March

² At least a three week period

³ The reimbursement that employers can seek per employee is limited (to the lower of 80% of wage costs or £2,500 per calendar month, plus employer national insurance contributions and employer auto-enrolment pension contributions). If you reduce the employee’s salary, the employee must consent to it.

⁴ Employees will be permitted to volunteer (outside of their usual work) or undertake training, as long as this does not involve the generation of revenue for the employer.

It is essential that we have a record of your agreement to the terms in this letter as an indication of your agreement as soon as possible in order to place you on Furlough Leave. Please confirm your agreement by signing and returning this letter to [*contact details*].

[NAME] by [DATE]. The changes shall be immediately effective from the date of your signature. You should keep your signed copy of this letter safe, together with your contract of employment which shall be amended by this letter.

Yours sincerely,

.....

For and on behalf of [EMPLOYER]

I agree that my Contract shall be varied by the revised terms set out in this letter with immediate effect.

Signed

[NAME OF EMPLOYEE]

Date