

To be printed on company letter headed paper

<Employee Name>

<Employee Address>

<Date>

Dear <Name>

AGREEMENT FOR FURLOUGH LEAVE

Further to our conversation on <date>, I explained how the COVID-19 situation has affected our business and that due to unprecedented circumstances beyond our control it is our intention to register selected staff to benefit from the Government Coronavirus Job Retention Scheme.

This is not a decision we have taken lightly but you will appreciate the current pressure on finances. Clearly, we must act quickly to find a suitable solution for our staff who are without work, and at a time when our ability to generate revenue is compromised.

To clarify, being 'furloughed' means that employees may be designated, with their agreement, as a 'furloughed worker' in the coming weeks, which will result in them not being provided with work, but the business can continue to pay them through funding from the Government's Coronavirus Job Retention Scheme. Presently, the Government has indicated that the Job Retention Scheme will initially run until the end of May 2020.

I discussed with you the need to make you a furlough employee for a temporary period of time. This means that we need you to agree to a variation in your contract of employment. If you agree to being furloughed, we will keep the situation under review and will continue to keep you updated. The on-line process for employers to register for the scheme is yet to be determined by the HMRC but it is anticipated that these details will be released over the course of the next week or so. We will keep you advised as and when the details emerge.

Terms and Conditions:

1. We agree that from [DATE] you shall be on Furlough Leave. This means your contract of employment continues, but you shall not be required to come into work. We will pay you [80%] / [up to 100%] of your salary (up to the Government imposed limit) during that time.

2. Your Furlough Leave shall end on the earliest of the following events:
 - (a) the Government's Coronavirus Job Retention Scheme comes to a natural end;
 - (b) either you or <company> ceasing to be eligible for funding under that scheme; or,
 - (c) <company> deciding to cancel Furlough Leave and return you to work.
3. During your Furlough Leave, you may not work for any other organisation, or on your own account. If you do, you may be liable to repay any sums we have paid you under this scheme if we become liable to repay it to the Government.
4. When your Furlough Leave ends, while we will always endeavour to provide you with work, in the event of insufficient work being available you agree we are entitled to place you on short time or lay you off without any pay except for statutory guarantee payments <<only if your contract has a short time or layoff clause>>.

Please note, other terms and conditions of your employment, accrual of holiday pay and continuity of employment will not be affected during this 'furlough' period.

As discussed, we believe that this current situation is likely to be temporary and we hope that by putting employees on 'furlough', we will avoid the need for redundancies. Therefore, we are seeking your cooperation during what we appreciate is an unsettling time.

Please can you complete the attached acceptance slip and return it to me to confirm that you are willing to accept being made a 'furloughed' employee as described above.

We appreciate that this is a very difficult time for all concerned and I want to take the opportunity to reassure you that we are doing everything we can to support staff and to ensure the future sustainability of the business. Your cooperation is greatly appreciated during these unprecedented times.

Please do not hesitate to contact me should you have any questions.

Yours sincerely

<name>
<position>

Please sign below to confirm that you have read and understood the above and that you agree to be registered as a Furlough Employee in line with the Government Coronavirus Job Retention Scheme.

Signed: _____
(Employer)

Date _____

Signed: _____
(Employee)

Date _____