

CIPHE Template Furlough Letter

Dear <Employee>

I am writing to you following our recent discussion regarding the impact of the COVID-19 virus on the business, which means that we now need to seek your agreement to vary the terms of your contract of employment with <Employer>. This is so that we can implement and take advantage of the Government's Coronavirus Job Retention Scheme.

Following on from our conversation:

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. Under the scheme, we can claim from the government and will pay you:
80% of your normal pay (not including bonuses/commission)/
80% of your normal pay (not including bonuses/commission), subject to a maximum liability for us of £2,500 per month/
100% of your normal pay (not including bonuses/ commission)
plus the associated employer's National Insurance contributions (NICs) and minimum automatic enrolment employer pension contributions on the reduced salary. * *delete as appropriate.*

Tax, National Insurance contributions and any other statutory deductions will be deducted in the usual way.

2. Your Furlough Leave must last for a minimum of three weeks and shall end on the earliest of the following events:
 - a. The government's Coronavirus Job Retention Scheme ends
 - b. Either you or <Employer> cease to be eligible for funding under that scheme; or
 - c. <Employer> decides to cancel Furlough Leave and bring you back to work.

If you currently have a second job with another employer, you may continue with that job. However, during your Furlough Leave, you may not work for any other organisation, or on your own account. If you do, you must tell us, and 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. Failing to adhere to this stipulation will be dealt with through the usual <Employer> disciplinary process.

<Employer> would not be doing this were it not necessary for the sake of the business and I hope you understand that you remain a valued employee. We are managing this in the way that we expect the government scheme to work, although the full details remain to be released and I appreciate your understanding in these difficult circumstances. With that in mind, I stress that this offer is made in good faith, without liability and that you should seek advice if you feel it is required.

It is essential that <Employer> has a record of your agreement to the change in your terms of employment so I would be grateful if you would sign both copies of this and return one to me as soon as possible. Please do not hesitate to contact me if you have any questions.

Yours sincerely

Name
Position

I confirm my agreement to the variation of my terms and conditions of employment as stated in this letter.

Signed Dated.....

Employee Name.....