**PRIVATE AND CONFIDENTIAL**

NAME

ADDRESS

ADDRESS

DATE

**NOTICE OF FURLOUGH LEAVE**

Dear ................................. *(insert name of worker)*

We refer to our company announcement and discussion with you on ……… (insert date) at which we discussed our intention to class your employment temporarily as a **Furlough Worker** which in effect lay’s you off due to a temporary reduction in your workload. This has been created by the Coronavirus outbreak which has impacted the economy nationally causing a reduction in Sales.

In a bid to secure employment wherever possible, the Government has offered a Coronavirus Job Retention Scheme for UK employers to be able to access support in the form of a grant to continue to pay a part of the worker’s salary during this crisis.

In order for the company to access these funds, the purpose of HMRC records, you will have your employment status changed and designated as a furloughed worker. This will represent a change to your contract of employment.

By becoming a furloughed worker the following conditions will apply, you will:

* Maintain your employment status and continuous service
* Retain 80% of your salary capped up to £2500 of the “wage costs” per month. We are awaiting exact clarification as to what “wage costs” mean, and do not currently know whether this is intended to be net or gross and whether or not subject to tax/NI and/or subject to employer’s national insurance contributions
* Not be required to work for the duration of the furlough classification period
* Not work elsewhere for the duration of the furlough classification period
* Retain all your normal contractual benefits save for pay

This will take effect from ……… *(insert date)* and will be reviewed at the beginning of each month or as the national situation with Coronavirus improves resulting in an increase in the company’s Sales*.* Although we are unable to give you a definite end date at this stage, as it is dependent on several external factors, we will keep the position under constant review and continue to keep you updated.

In the event that you decide not to agree to being classified as a furloughed worker, please be aware that the company may not be able to guarantee making salary payments to you for the foreseeable future and/or may have to consider making you redundant.

We believe this current situation is only likely to be temporary and we hope that by putting in place this furlough arrangement, we will attempt to avoid the need to implement a redundancy programme.

This is a difficult time for all nationally and whilst we have made every endeavour to continue ‘business as usual’ we move into this change with the intention to protect our worker base as far as possible to enable us to emerge on the other side ready to ensure ‘business as usual’ is the priority. I want to take this opportunity to thank you for the support you have given.

Yours sincerely

**NAME**

**JOB TITLE**