

**TEMPLATE FURLOUGH FORM**

[COMPANY NAME]

AGREEMENT FOR FURLOUGH LEAVE

Date: [not earlier than 1 March 2020]

Employee Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employer Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The Government has introduced a Job Retention Scheme (also known as “Furlough leave”) during the coronavirus pandemic. This allows employees to stay on the payroll without them working, instead of being sent home on unpaid leave or being made redundant. People who are furloughed must not work for their employer during the period of furlough but usually return to their job afterwards.

We are placing you on furlough leave because [insert business circumstances].

This is a variation to your contract of employment, designed to implement and take advantage of the government’s Coronavirus Job Retention Scheme. Your terms and conditions of employment remain unchanged, except where specified below.

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% of your salary during the furlough leave period, subject to a maximum of £2,500 per month. Please note that your salary will be subject to the usual income tax and other deductions.

OR

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 100% of your salary during the furlough leave period. The payment of your full salary will be kept under review and will be subject to the business being able to continue to afford to fund this. If business circumstances require us to reduce your pay, we will notify you of this and as a minimum we will pay you 80% of your salary, subject to a maximum of £2500 per month.
2. Your Furlough Leave shall be for a minimum of a three week period and will end on the earliest of the following events:- (a) the government’s Coronavirus Job Retention Scheme ending (b) either you or us ceasing to be eligible for funding under that scheme; or, (c) us deciding to cancel Furlough Leave and bring you back to work.
3. During your Furlough Leave, you may not begin work for any other organisation, or begin work 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. You can be put on furlough by us and continue to work for another employer, if we have permitted this within your employment contract or given our permission for you to do so prior to us placing you on furlough leave.
4. As a furloughed employee, you may take part in volunteer work or training, as long as the training does not provide services or generate income for our organisation.
5. [if applicable and stated in the employee’s contract of employment] 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 working or lay you off without any pay except for statutory guarantee payments.

Please sign and return one copy of this letter to accept this temporary change that you are now a furloughed worker. We will accept a photograph of your signed letter being emailed to [xxxxxxxxxxxxxxxx]. If you have not done this by [DATE] we will assume you do consent.

I acknowledge and accept that I will become a furloughed worker with effect from DATE until further notice.

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Employer)

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Employee)