Coronavirus Job Retention Scheme: Letter explaining your organisation's plans to "furlough" staff

When to use this model coronavirus furlough letter

Use this model letter to set out your organisation's plans to "furlough" staff as a result of the coronavirus (COVID-19) outbreak and pay them through funds from the Coronavirus Job Retention Scheme.

Note: We will publish further model documents on "furloughing" staff once more details of the Coronavirus Job Retention Scheme are available. These will include a letter seeking an employee's agreement to furlough them.

Dear []

Impact of coronavirus on our organisation

[I refer to our [meeting/video conferencing call] with [you/the workforce] on [date], during which we explained how the COVID-19 outbreak has impacted our business and the details of the Government's Coronavirus Job Retention Scheme.]

To minimise the need for redundancies because of the [temporary closure of your place of work/temporary reduction in the need for your role/downturn in business], we are planning to "furlough" staff on [full pay/pay reduced by 20%] where we cannot not provide them with any work.

This means that staff may be designated (with their agreement) as a "furloughed worker" in the coming weeks, which means they will not be provided with work, and we can continue to pay them through funding from the Government's Coronavirus Job Retention Scheme.

See www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-c www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-c www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-c www.gov.uk/government/publications/guidance-to-employees#furloughed-workers for further details of the scheme.

Furlough leave

Staff will not be "furloughed" while absent from work as a result of medical advice and self-isolation guidance. They are receiving [statutory/contractual] sick pay. Staff who are able to work from home are expected to continue to do so even though our work locations are now closed.

During the furlough period, a furloughed worker will:

- continue to be employed by us;
- not carry out any work for us; and
- continue to receive [wages/salary] [, although reduced by 20%].

Terms and conditions of employment and continuity of employment will not be affected during this period.

What happens next

The Government's Coronavirus Job Retention Scheme is initially set to run until the end of May 2020, but the Government has said that the scheme will be extended if necessary. We are keeping the situation under review and will keep you updated as the coronavirus crisis unfolds in the coming months.

We must stress that our plans are based on the Government's initial announcement on 20 March 2020 about the Coronavirus Job Retention Scheme. Please bear with us while we await the exact details of the scheme and then determine which workers can be designated as "furloughed workers".

The decision as to whether or not you accept any offer that we make to furlough your employment [on reduced pay] is ultimately going to be one for you. However, the alternative may be compulsory redundancy or unpaid leave.

I would like to reassure you that, even if your employment is furloughed, we are determined to [reopen your place of work/reintroduce your role/see an upturn turn in business] once the situation has improved.

Please look out for further updates and do not hesitate to contact [me/name of individual/the HR department] if you have any queries or concerns.

Yours sincerely,

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