**PRIVATE AND CONFIDENTIAL**

Employee name

Date

Dear [Employee name],

**Re: Notification of flexible furlough arrangements under the Coronavirus Job Retention Scheme**

As a result of the ongoing coronavirus pandemic our business continues to be impacted.

The Coronavirus Job Retention Scheme (‘CJRS’) has been extended to March 2021 (with a review in January 2021) and still involves the Government funding 80% of your normal wages up to a capped amount of £2500 per month. This will be subject to income tax and employee national insurance and we will continue to pay employer’s national insurance and employer’s pension contributions.

From 1 November 2020, we are still able to ‘fully’ furlough employees or ask you to work on a part time basis. If we ask you to work on a part time basis, we will pay you for the work that you do, at your normal rate of pay, and claim a grant from HMRC of 80% of your salary (capped at £2500 per month but pro-rated) for the time that you do not work. Both of these options are called ‘flexible furlough’ as it gives us flexibility to adjust the workforce to suit our needs and to ensure we are able to take steps to implement social distancing.

**Flexible furlough**

We have discussed and agreed a temporary change to your contract. We are not sure how long we will need to have you on furlough, but we anticipate this being until the scheme ends or until you leave our employment. This will depend on external factors including the length of the current lockdown, or any future one, and so this period is subject to change.

If you agree to this furlough, the following will apply:

1. We will either not provide you with any work at all or we will ask you to work some of your hours, we will let you know a week in advance
2. During any time when you are not working for us you must not perform any work for us or do anything that generates an income or provides a service to us or anyone connected or associated with us
3. However, you must be available for work in the event that the situation changes. If you are not available for work, then please ensure that you have booked holiday and advised us of this
4. You may volunteer for other organisations, but you can/cannot do paid work for any third party. If we agree that you can work for a third party, you must inform us of that entity’s name beforehand. You must also confirm to us that the work you carry out for them does not conflict with your duties to us and that they are not a competitor of our organisation nor are they preparing to compete with us
5. You will continue to be our employee and your continuity of service continues for the purposes of notice
6. You will return to work at our request. We will give you 24 hours’ notice to return
7. During this period, you will not receive your normal pay. Instead, under the CJRS the Government will fund 80% of your normal wages (up to a capped amount of £2500 per month, prorated if you are working some of your hours) which will be subject to income tax and employee’s national insurance in the usual way (and student loan deductions if applicable). We will/will not top up this amount to [ ]
8. You will continue to accrue holiday during this period. Holiday should be booked in the normal way with your line manager and you will be paid your normal wages for holiday days. We may ask you to use some of your annual leave during your furlough
9. We will communicate with you regularly during this period. If your personal phone number, email or mailing address has changed recently, please provide your current contact information to HR/your manager immediately. Similarly, if it changes during the furlough period, please make sure you let us know
10. You will/will not continue to receive the following benefits during this period [car allowance] [accommodation allowance] [other]
11. If the furlough scheme rules confirm that furlough leave will be brought to an end automatically if you give or receive statutory or contractual notice to leave our employment, then this condition will apply to this agreement
12. If, as a result of your own actions, we are unable to claim under the CJRS then we will only be obliged to pay you for the hours that you actually work for us

**Consent**

Please fill out the section below and return it to HR/your line manager as soon as possible. This will form a temporary variation of your employment contract in respect of your duties to perform work for us and your salary and benefits. Unless specifically referred to above, all other terms of your employment contract are not affected.

If our circumstances change and we are able to provide sufficient work for you to return to work or return to work full time, we will inform you in writing as soon as possible. We may communicate that information to you by text message, email or letter so it is important that we have your correct contact details. We will provide you with the date on which we expect you to return to your duties.

This agreement is governed by changes implemented by the Government and dependent upon the rules the Government sets about the CJRS. This means it can be amended or withdrawn in its entirety at any time.

**Communications**

To ensure any communications between us are dealt with promptly, I ask that you copy HR into any emails or communications with your line manager about your employment including any regarding changes to your contact details.

Please feel free to contact HR at [contact information] with any questions

Yours sincerely,

[Name]

For and on behalf of [Company name]

Please email back your agreement to these temporary changes to your contract:

I agree to being furloughed under the terms of the Coronavirus Job Retention Scheme as set out above.

Employee name ………………………………………………………………

Print name ………………………………………………………………

Date ………………………………………………………………

Job title ………………………………………………………………

Date ………………………………………………………………

[Change this to a deed if the contract of employment is executed as a deed]