LETTER TO CONFIRM FULL FURLOUGH WILL CONTINUE FROM NOVEMBER 2020

Sample Letter

This letter must be transferred to your own letterhead, removing the title and all references to Peninsula and with all optional and personalised information completed.

* Use the Furlough Navigator available in BrightHR to help you manage furlough in your organisation. Please speak with your Advice Consultant if you would like more information about this.
* The Job Retention Scheme was originally intended to close on 31 October 2020, however, it has been extended to run until the end of March 2021. It permits both full furlough and flexible furlough.
* This letter should be used where an employee was on furlough running up to the end of October 2020 where it was envisaged that furlough would end on 31 October 2020 because that is when the Scheme was meant to close. However, the extension of the Scheme means that the employee is now able to stay on furlough. This letter confirms to an employee who you have not been able to offer any work to since 31 October 2020 that their furlough has continued.
* Retrospective furlough agreements like this one to backdate cover for arrangements that were in place since 1 November 2020 are permitted provided they are put in place on or before 13 November 2020.
* This letter should be used only after you have discussed the continuation of furlough with the employee.
* The Scheme will continue to provide employers with a grant to cover 80% of wage costs, to a maximum of £2,500 per employee per month until at least January 2021 at which point the level of cover will be reviewed. Employers may be required to contribute to furloughed workers’ wages from February 2021.
* You are not required to make up the remaining 20% of wage costs. If the 20% will not be made up, this should be set out in the letter and forms part of the agreement to furlough.
* Designating an employee as a furloughed worker and reducing pay without obtaining agreement from the employee may give rise to a claim of breach of contract or constructive dismissal. However, with redundancy as the likely result of their refusal to agree, it is not anticipated that an employee will withhold agreement.
* You should ensure that your position on pay is covered in the letter by including, amending or deleting the relevant clause.
* Our Face2Face service consists of a team of advocates equipped to conduct, or support and assist you to conduct, any face to face meeting you are undertaking with your staff. For further information please speak to your HR Expert.

Need Further Advice?

**T: 0844 892 2772 E: advice@peninsula-uk.com W: peninsula-uk.com**

**(Date)**

Dear [Subject]

I write further to our discussion on (***insert date****)* in respect of the current coronavirus outbreak, and the challenges we continue to face as a consequence in providing you with work for the foreseeable future.

As you know, you have been designated as a furloughed worker since (***insert date****)* and, as such, we have been receiving assistance to pay your wages from the Government’s Coronavirus Job Retention Scheme which was set up to help avoid significant large scale redundancies across the country from those businesses directly affected by coronavirus*.* We had envisaged that your period of furlough would end on 31 October 2020 because that is when the Job Retention Scheme was due to end.

However, the Government made a last-minute decision to extend the Job Retention Scheme and it is now expected to be in place until the end of March 2021.

During our discussion, I set out the ongoing impact that coronavirus is continuing to have on our business, which is (***insert details explaining the ongoing need to use full furlough.***)

Due to the impact on our business, we are still temporarily unable to offer **\*work to any of our employees for the time being/work of the kind that you are employed to perform for the time being, and we have been unable to identify any other role in the business which you would be in a position to undertake.**

Because of this, we intend to continue to use the extended Scheme, which will enable us to recover a grant to cover up to 80% of our employees’ wage costs, to a total of £2,500 per month per employee, for as long this is provided by the Scheme.

This letter is to confirm, for the avoidance of doubt, your agreement to the temporary continuation of your designation as a furloughed worker for the period beginning on 1 November 2020 which will ensure our uninterrupted use of the Scheme to receive a grant to cover a portion of your wages.

(***EITHER***)

During our discussion, you agreed to continue to be temporarily designated as a ‘furloughed worker’ from 1 November 2020. You will continue to be a ‘furloughed worker’ for as long as we are unable to provide you with work and are enrolled on the Scheme. You will continue to receive 100% of your wage whilst you are a furloughed worker. You must not undertake any work for the Company when on furlough.

(***OR***)

During our discussion, you agreed to continue to be temporarily designated as a ‘furloughed worker’ from 1 November 2020. You will continue to be a ‘furloughed worker’ for as long as we are unable to provide you with work and are enrolled on the Scheme. You also agreed to a continued reduction in your wage to 80% of your basic wage, capped at £2,500 per month, whilst you are a furloughed worker. You must not undertake any work for the Company when on furlough.

I have enclosed two copies of this letter. Please confirm your written agreement to the continuation of your temporary designation as a furloughed worker on the payment arrangements set out above by signing where indicated below and let me have one copy by return. If you are posting a copy, please send to (***insert details***).

We will keep your status as a ‘furloughed worker’ under continuous review and in the event that the position changes, you will be notified. At the present time I do not know when this will be, but I can assure you that the Company will continue to monitor the evolving situation very carefully. We reserve the right to end this period of furlough at any point if we are able to identify work for you to perform. Should this opportunity arise, you may revert to either your normal working hours or we may seek to agree flexible furlough with you which means working a reduced number of hours and being on furlough for the remainder of your normal hours. We will endeavour to provide you with at least (***insert***) notice of a return to work, however, this may not always be possible.

We are doing everything we possibly can to ensure we are able to survive the challenges we are facing. We appreciate that this is a difficult period for everyone and I would like to thank you for your continued loyalty to the business.

(***Delete as appropriate***)

I would like to remind you that you have access to a confidential telephone counselling service if you would like to talk to a trained counsellor about any worries that you may be having about the impact of coronavirus, whether work related or not. You can access this by (***insert***).

If you have any queries regarding the contents of this letter, please do not hesitate to contact me on (***insert details***).

Yours sincerely

[Firstname] [LastName]

\*delete/amend as appropriate

**Employee signature………………………………**

**Date……………………………………………….**