LETTER TO CONFIRM FLEXIBLE 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 flexible furlough running up to the end of October 2020 where it was envisaged that the arrangement 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 flexible furlough. This letter confirms to an employee who has continued their flexible furlough since 1 November 2020 that the arrangement continues. It should be used only after you have discussed the continuation of flexible furlough with the employee.
* 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.
* The Scheme will continue to provide employers with a grant to cover 80% of wage costs for unworked hours, to a set maximum. The maximum amount you can claim under the Scheme for an employee on flexible furlough is reduced on a pro-rata basis proportionate to the amount of time the employee is recorded as being on furlough during the flexible furlough period. This level of cover will continue until at least January 2021 at which point it will be reviewed. Employers may be required to contribute to furloughed workers’ wages for unworked hours 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. You should ensure that your position on pay is covered by including, amending or deleting the relevant clause.
* 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.
* 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 on a period of flexible furlough during which you are working part-time hours and are recorded as being on furlough for the remainder of your normal working hours since (***insert date****).* 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 flexible 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 provide work to you in accordance with your normal working hours.

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 for unworked hours, to a proportionately reduced 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 the flexible furlough arrangement 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 work the following part-time hours with effect from (***insert date***):

(***insert details***)

You will be recorded as being on furlough for the remainder of your normal working hours. You continue to agree to cease all work for the Company outside of the hours set out above.

(***OR***)

During our discussion, you agreed to continue to work part-time hours with effect from (***insert date***). We agreed that we would notify you of the hours you would be required to work on a week-by-week basis (\****but anticipate that in most weeks your working hours will adhere to the following pattern:***

***(insert details)****)*

You will be recorded as being on furlough for the remainder of your normal working hours. You agree to cease all work for the Company outside of the hours set out above.

You will continue to receive full pay for the hours that you work. You agreed that, for the hours that you are on furlough, you will continue to receive 80% of your wages to a maximum cap of £2,500 per month pro-rated down to reflect the hours for which you are actually furloughed.

For example, if your part-time hours are 4 days per week instead of your normal 5 days, you will receive full pay for ~~4~~ days per week. For the remaining “furloughed” hours (1 day or 20% of your normal hours), you will receive 80% of your wages to a maximum of £500 per month (20% of £2,500).

I have enclosed two copies of this letter. Please confirm your written agreement to continue these part-time hours under the flexible furlough scheme 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 this arrangement 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 flexible furlough at any point if we are able to identify work for you to perform according to your normal working hours.

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 about the contents of this letter, please do not hesitate to contact me.

Yours sincerely

[Firstname] [LastName]

\*delete/amend as appropriate

**Employee signature………………………………**

**Date……………………………………………….**