



PENINSULA

# LETTER TO PLACE EMPLOYEE ON FURLOUGH

## Sample Letter

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**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.**

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- This letter can be used to inform employees that you will be designating them as a furloughed worker in line with the government's Job Retention Scheme.
- The Scheme will provide you with a grant to cover 80% of wage costs, to a maximum of £2,500 per employee per month.
- This letter should be used only after you have discussed furlough with the employee.
- You are not required to make up the remaining 20% of wage costs. However, not doing so, and therefore reducing pay, will require employee agreement. Failure to do this may result in claims for breach of contract or constructive dismissal. It is, however, likely that agreement will be obtained, given that the alternative may well be redundancy.
- 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](mailto:advice@peninsula-uk.com)

W: [peninsula-uk.com](http://peninsula-uk.com)



**PENINSULA**

**(Date)**

Dear [Subject]

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

During our discussion, I set out the impact that the current situation is having on our business, which is (**insert details explaining the need to use furlough e.g. that, as a business in the hospitality sector, the Government has enforced our closure as part of its social distancing measures.**)

We are therefore 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.**

In order to help avoid significant large scale redundancies across the country from those businesses directly affected by this measure, on Friday 20th March 2020 the Government announced that it was setting up a new Coronavirus Job Retention Scheme (the Scheme) to help businesses.

So as to prevent the potential redundancies that would have arisen from the position we are currently in, we are applying to join the Scheme, which will entitle us to receive a grant to cover up to 80% of our employees' wage costs for as long as we remain in the Scheme, up to a total of £2,500 per month (gross) per employee. The Scheme is initially expected to be in operation for three months, but it may very well be extended.

The Scheme requires us to designate affected employees as 'furloughed workers', and we intend to do this for (**\*all of our employees/all employees in the (insert details) department/other**). We must then pass this information to HMRC and will be able to receive a grant to cover your wages to the extent set out above.

I am notifying you that you have been designated as a 'furloughed worker' as from (**insert date**) which means that your status as an employee has temporarily changed. You will now be a 'furloughed worker' for as long as we are unable to provide you with work and are enrolled on the Scheme.

**(Delete/amend as appropriate)**

The Company has decided that it will maintain 100% of your wages whilst you are a furloughed worker.

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 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**