AGREEMENT FOR FURLOUGH LEAVE

Employee Name:

*Further to the ongoing COVID-19 (‘Coronavirus’) crisis, the business has faced some significant challenges it remains clear that steps need to continue to be taken to preserve our business and keep staff and service users safe.*

*Following the notification from the Government is extending Furlough until early 2021 the Company intends to where required utilise the scheme to safeguard jobs and manage our obligations in respect of staff and service user safety.*

*In order to be able to implement Furlough you are asked to enter into this furlough agreement, the details of which are below. The alternative to furlough where we are unable to provide hours is either unpaid leave or us having to explore lay off and redundancy.*

*The furlough scheme enables us to manage this difficult period without staff being put to a significant financial detriment.*

*By signing this letter you are agreeing to a variation of your contract of employment in order to accommodate the ongoing emergency measures implemented by the Government as part of the national effort against coronavirus and to allow you to take advantage of the Government’s job retention scheme. By implementing this scheme, the Company will likely be in a position to avoid making redundancies for the current period.*

1. We agree that from (DATE) you shall be designated as an employee who may be placed on Flexible Furlough Leave. This means that your contract of employment continues, but you shall not be required to come into work when you are on a period of Furlough. As you are being flexibly furloughed you may be asked to attend work in accordance with the needs of the business. If you are asked to attend work, and you fail to attend without good reason your absence may be treated as unauthorised and dealt with under Company procedures.
2. The reason you have been selected for Furlough is due to the dramatic and sudden reduction in work available for you within the business, and we are unable to provide you with work that you can complete from home due to it not being operationally possible for your role **OR** there being no work to provide you with due to the downturn in business or insufficient work to engage you in your full time contractual hours.
3. Please note the reasons for you being placed on Furlough are confidential. You may discuss with your immediate family provided they also agree to keep matters confidential.
4. We will pay you 80 % of your wage cost (not your net salary or take home pay), subject to a maximum liability for the Company of £2,500 per month.
   1. The percentage of your wage cost excludes employers National Insurance contributions and Pension contributions, and at all times subject to the level of reimbursement received by the Company from the Government.
   2. The percentage you will receive is therefore not relative to your net pay, but instead calculated based on your wage cost to the Company as calculated by the Job Retention Scheme.
   3. You will be paid in this manner until your Furlough Leave ends or until funding for the Job Retention Scheme ends, following which your leave will be unpaid.
   4. If the funding available under the government Furlough scheme changes, you will be paid in accordance with the limits of the scheme which may mean that your pay is reduced.
   5. You may be required to take annual leave during any period of Furlough.
5. Your Furlough Leave shall end on the earliest of the following events:
   1. The Government’s Coronavirus Job Retention Scheme ending
   2. Either you or the Company ceasing to be eligible for funding under that scheme; or ,
   3. The Company deciding to cancel Furlough Leave. You agree that you will return to work without delay and on request.
6. On either termination of employment and/or following the termination of Furlough Leave your annual leave entitlement will be confirmed to you in writing.
7. During your Furlough Leave you may not work for any other organisation, person or Company, or on your own account or through any other mechanism such as freelancing, self-employment or any other means. If you wish to undertake voluntary work or unpaid work you must seek written permission from the Company before commencing any such work.
8. Failure to abide by the terms of this Agreement may constitute a breach of this Agreement, your Employment Contract and/or the Job Retention Scheme itself, as a result you may be required to repay sums that you have been paid under the Scheme and whilst on Furlough Leave. If the Company is required to report your conduct to Government agencies, such a report will be made.
9. When your Furlough Leave ends, while we will always endeavour to provide you with work, in the event of insufficient work being available the Company may:
   1. Seek your agreement to a reduction in hours and/or a reduction in pay;
   2. Place you on short time working and pay you only for the hours you work based on your usual hourly rate
   3. Lay you off without pay subject to your entitlement to a Statutory Guarantee Payment
   4. Commence a redundancy consultation

Signed……………………………………………………………………………………. date

Employer

Signed……………………………………………………………………………………. date

Employee