

BROOK & CO

ACCOUNTANTS



COVID-19 - Coronavirus Job Retention Scheme - Furlough Leave Agreement and Letter

26th March 2020

Furlough is fundamentally a change in employment status. If the employee can't go to work or has no work to do, an employer can choose to 'furlough' the employee. In doing so, the Government will cover 80% of the employee's salary up to £2,500/mth. This is officially called the **Coronavirus Job Retention scheme**, and it means employers can choose to put staff who can't work on 'furlough' (on hold) - and then the Government will cover their salary.

Think of this like a job being put on standby. The idea is you go into sleeper mode during the crisis, and then when it's over, they can instantly restart things and get the economy running again at speed.

Anyone you wish to put on furlough you need to have an agreement with. The advice is that a meeting is held and documented detailing the reasons why (you can do this over the phone/zoom/skype etc.) Then this agreements needs to be signed.

To support you in this process, we can provide the following upon request:

- A template Furlough Agreement Letter
- A template Furlough Leave Agreement
- ACCA document that explains the process and offers further advice on the subject

Then you will need to submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required.) This portal is not yet available, we will advise on this as soon as we can.

If you need the 3 documents listed above, simply email us at info@brookandco.com .

Keep safe,

Brook and Co

T: 01280 702144

E: info@brookandco.com