**Instructions: you can use this as a template, cut and paste the text on to your own letterhead. There are Notes for completion below.**

[Employer name if not on headed paper]

[Employer address]

[Date]

Dear [Director name]

Due to the ongoing COVID-19 (Coronavirus) pandemic, it has been agreed that with you that you will be furloughed under the Government Job Retention scheme.

Under the scheme you will not be able to generate revenue for the company, but you will continue to be paid [as normal / and will receive 80% of your normal pay / and will receive pay of £2,500\*\* per month.]\*

The normal income tax, national insurance, and other statutory amounts will be deducted from your pay.

Your furlough period starts on [insert start date – this cannot be before 1 March 2020]. It will end on the earlier of:

* The date that you start to generate revenue for the company.
* 31 May 2020 unless this date is extended by the government. We will notify you if this is the case.

The furlough period is not expected to exceed three months. But, this may be extended if government restrictions mean that it is not possible for you to return to generating revenue for the company by 31 May 2020. The government has set the minimum furlough period at 3 weeks.

You will still be expected to undertake your statutory responsibilities as [a] director of the company. This includes, but, is not limited to; recording keeping, paying creditors, collecting debts, looking for new contracts, and generally dealing with the day to day statutory affairs of the company.

Please sign the attached form to confirm your agreement to being a furloughed director and return to the registered office address as soon as possible.

Yours sincerely

[your name]

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| --- |
| **Notes for completion - DELETE BEFORE SENDING**  \*Delete as appropriate.   \*\*Only use the £2,500 per month option where payrolled earnings are such that 80% of their normal gross pay is more than £2,500 per month. For example, someone earning £3,500 per month would be due £2,800 at 80% but this is reduced by the cap to £2,500. |

**DIRECTOR RESPONSE FORM**

I [Employee name and works / employee number (if they have one)] consent to being a furloughed director until such time as I am asked to return to work.

I understand that I remain a director/employee of [insert name of employer] and must continue to adhere to the terms of the Job Retention Scheme.

……………………………………………

PRINT NAME

…………………………………………….

SIGN HERE

………………………………………………

DATE