**PLEASE NOTE: THIS NEEDS CONFIRMING WITH YOUR LAWYERS AND / OR HR SPECIALISTS AND THE DRAFT LETTER TO EMPLOYEES IS AN EXAMPLE ONLY AND SHOULD NOT BE RELIED UPON IN PRACTICE.**

Be warned use at your peril until you have taken such advice.

**FURLOUGH LETTERS**

An employee furlough refers to a temporary leave or modification of normal working hours for a specific amount of time. It’s a leave of absence given to an employee with the promise that they will still have their job once the leave is over.

Employee furloughs are becoming common practice in both public and private-sector organisations. There are numerous reasons why employers implement a furlough employee policy, such as plant shutdowns, seasonal work, company reorganizations and reduced demand due to COVID-19.

Don’t rush into implementing an employee furlough policy without talking to your lawyer or HR specialist first.

If you decide that putting employees on furlough is the best option for you and your employees, then you need to prepare a notification letter. Your furlough notice letter should contain the following:

* Address - This is a formal letter, a furlough notice should clearly state the date, employee’s name, and their address.
* Purpose – State the purpose of the letter. Get straight to the point. Include the employee’s position, department, reason for the furlough, and information about any changes to employee benefits. It is advisable to tell the employee that this action does not reflect dissatisfaction in job performance.
* Detail - Explain what a furlough is, determine the length of the furlough, and communicate employee benefits during this period to employees.
* Future communication - Offer a way for the employee to keep in touch. End the letter on a positive note.

**EXAMPLE TEXT [NOTE: RUN THIS PAST YOUR HR SPECIALIST]:**

[Send to employee’s address]

Dear [Employee name],

**NI NUMBER AND / OR PAYROLL NUMBER**

The purpose of this letter is to formally notify you that your position as [INSERT] on the [XXX DEPARTMENT] is being closed temporarily due to the downturn in business as a result of the COVID-19 Pandemic.

Your last official day of work will be [INSERT DAY]. Your salary and benefits will continue at their current level during the Furlough period. Please understand this action in no way reflects dissatisfaction with your job performance.

The length of this furlough is [insert future date or unknown at this time].

We will provide regular information as the current Pandemic unfolds and if and when we return to normal working routines.

A Furlough is a short-term temporary leave of absence. The furlough period and provisions may be changed or terminated at the sole discretion of the Company, and does not create any employment contract, express or implied.

During the furlough period, your pension and other benefits will continue [IF APPLICABLE].

Thank you for your contributions to the business and if I can offer assistance in any way, please contact me.

Yours Sincerely,

[insert signature]