

Rt Hon Rishi Sunak MP Chancellor of the Exchequer HM Treasury 1 Horse Guards Road

London SW1A 2HQ

06 May 2020

Dear Chancellor,

ADJUSTMENT TO THE CORONAVIRUS JOB RETENTION SCHEME TO ALLOW FURLOIUGHED CHARITY EMPLOYEES TO VOLUNTEER FOR THEIR ORGANISATION - PROTECTING JOBS, SOCIETY AND THE WIDER ECONOMY

Following on from the debate in the House of Lords on the Charity and Voluntary Sector on 30 April, we are writing to seek your urgent consideration of a proposed adjustment to the Coronavirus Job Retention Scheme (CJRS) enabling charities to continue their vital work during this time of unprecedented need.

We are asking the Treasury, subject to certain conditions being met, to allow furloughed employees of registered charities to volunteer for their organisation and continue serving the public.

We welcome the hard work of Ministers and the Government in providing support to charities. We recognise CJRS is intended to avoid redundancies and must be protected from abuse. However, we strongly believe charities must not be discouraged from delivering critical frontline services at a time where demand has soared, income has disappeared, and they face a very uncertain future. To do so risks not only temporary interruption to charitable activities when needed most – but also irreparable damage to the sector which will have profound and lasting impact for years to come.

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We feel the accompanying briefing paper articulates well the rationale in favour of allowing charity employees to volunteer for their own organisation, in such areas as fundraising and frontline service delivery. In addition to meeting the core tests of the CJRS already established to furlough staff, the paper lists a number of further protections the Government may wish to consider to safeguard the integrity of the scheme and avoid any abuse including:

- The employee qualifies for furlough in accordance with CJRS
- The employee is in no way compelled to volunteer
- The employer tops-up salaries from 80% to 100%
- The role is deemed critical to ongoing service delivery or maintenance of core provision

In the absence of such an allowance, charity effectiveness, productivity and support for the public will continue to be severely eroded across all sectors (including healthcare, education, social care, mental health, housing, environment). With limited reserves at their disposal some charities may cease operating entirely within a matter of weeks. Longer-term, an irreparable void will be created - leaving unquantifiable financial and societal burden to be picked up by the taxpayer for many years to come.

Whilst the not-for-profit nature of charities, their purpose and structure might imply potential abuse of the CJRS is inherently remote, we believe mechanisms already exist or can be easily adapted to provide further safeguards - providing the Government with a non-monetary intervention securing the future of countless charities whilst protecting jobs and the social fabric of the nation.

We, the undersigned, respectfully ask for your urgent consideration of this matter.

Yours sincerely,

Baroness Tyler of Enfield, Lord Addington, Baroness Barker, Baroness Benjamin, Baroness Finlay of Llandaff, Lord German, Baroness Healy of Primrose Hill, Baroness Massey of Darwen, Lord Mendelsohn, Baroness Pitkeathley, Lord Rennard, Bishop of St Albans, Baroness Sheehan, Baroness Watkins of Tavistock