All slides and a recording of the webinar are available on the website later this afternoon

• Chancellor’s Summer Economic Update
• CLC Talent Retention Scheme
• Q&A
Haircut
ACR News Awards – Industry Initiative of the Year

CONGRATULATIONS!

2020

ACR NEWS AWARDS

WINNER OF

INDUSTRY INITIATIVE
OF THE YEAR

membership means more
Chancellor of the Exchequer Rishi Sunak gave his Summer Economic Update – essentially a ‘mini-budget’ contained an additional £30bn worth of initiatives.

Chancellor said the government is building on the action taken it took months ago to deal with the immediate threat posed by the virus and is now proceeding with the second phase of its response with “a targeted plan for jobs”.

The third phase of the government’s plan will be set out in the autumn with measures to support the longer-term recovery through a Budget and a Spending Review. These will detail further plans to invest in public services and to support “innovation and growth-enhancing infrastructure” with a National Infrastructure Strategy.
Prime Minister’s speech set out part of the government’s economic recovery plan based while also promising £5bn to build homes and infrastructure – though not all of it was new spending.

- The Government had no intention to use austerity measures in order to reduce the UK’s growing debt.
- PM announced “Project Speed” to deliver radical reforms to the planning system to making it easier to build better homes where people want to live.
- Incoming regulations will provide greater freedom for buildings and land in town centres to enable the change of use without the need for planning permission, allowing new homes to be created through the regeneration of vacant and redundant buildings. The outlined changes will come into effect in September.
PM’s New Deal Speech

Some relevant items for our sector:

• £1.5bn this year for hospital maintenance, eradicating mental health dormitories, enabling hospital building, and improving A&E capacity.

• Over £1bn to fund the first 50 projects of a new, ten-year school rebuilding programme, starting from 2020-21. These projects will be confirmed in the Autumn, and construction on the first sites will begin from September 2021.

• £560m and £200m for repairs and upgrades to schools and FE colleges respectively this year.
**Economic outlook**

- The International Monetary Fund (IMF) estimates that the global economy will contract by 4.9% in 2020, having previously expected growth of 3.3% in its January forecast.

- The World Bank analysis suggests this will be the deepest global recession since the Second World War and the broadest collapse in per capita incomes since at least 1870.

- As an open economy, the UK is exposed to contractions in global demand, with global spillover effects estimated to account for around a third of the outbreak’s impact on the UK economy.

- The new package announced in the Summer Economic Update took the total cost of the Treasury’s economic support measures since March to about £189bn.

- Financial Times reported Britain’s public borrowing will rise to more than £350 billion this financial year, with the deficit is likely to reach 18 percent of national income. This is almost twice the size of the deficit at its peak in the 2008-09 global financial crisis. However, with tax revenues hit hard by the crisis the deficit is likely to reach £361.5 billion.

- The likely bill for PPE for frontline staff in the pandemic will be £15 billion, slightly more than the 2019-20 combined cost of all three of the great departments of state — the Home Office, the Foreign Office and the Treasury.
Jobs/Skills Support

Job Retention Bonus

- The government will introduce a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed through to the end of January 2021.
- Employees must earn above the Lower Earnings Limit (£520 per month) on average between the end of the Coronavirus Job Retention Scheme and the end of January 2021. Payments will be made from February 2021.
- Further detail about the scheme will be announced by the end of July.
Jobs/Skills Support

Kickstart Scheme

• The government will introduce a new Kickstart Scheme, a £2 billion fund to create hundreds of thousands of high quality 6-month work placements aimed at those aged 16-24 who are on Universal Credit and are deemed to be at risk of long-term unemployment.

• Funding available for each job will cover 100% of the relevant National Minimum Wage for 25 hours a week, plus the associated employer National Insurance contributions and employer minimum automatic enrolment contributions.
Jobs/Skills Support

High quality traineeships for young people

• The government will provide an additional £111 million this year for traineeships in England, to fund high quality work placements and training for 16-24 year olds.
• This funding is enough to triple participation in traineeships.
• For the first time ever, the government will fund employers who provide trainees with work experience, at a rate of £1,000 per trainee.
• The government will improve provision and expand eligibility for traineeships to those with Level 3 qualifications and below, to ensure that more young people have access to high quality training.
Jobs/Skills Support

Payments for employers who hire new apprentices

- The government will introduce a new payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and a £1,500 payment for each new apprentice they hire aged 25 and over, from 1st August 2020 to 31st January 2021.
- These payments will be in addition to the existing £1,000 payment the government already provides for new 16-18 year-old apprentices, and those aged under 25 with an Education, Health and Care Plan – where that applies.
Jobs/Skills Support

• **Construction Talent Retention Scheme**

• The government is funding a Construction Talent Retention Scheme to support the redeployment of workers at risk of redundancy.

• This will help retain construction skills and match talented workers to opportunities across the UK.

• Further details later.
Energy Efficiency

Green Homes Grant

• The government will introduce a £2 billion Green Homes Grant, providing at least £2 for every £1 homeowners and landlords spend to make their homes more energy efficient, up to £5,000 per household.

• For those on the lowest incomes, the scheme will fully fund energy efficiency measures of up to £10,000 per household. In total this could support over 100,000 green jobs and help strengthen a supply chain that will be vital for meeting our target of net zero greenhouse gas emissions by 2050.

• The scheme aims to upgrade over 600,000 homes across England.
Energy Efficiency

Public Sector Decarbonisation Scheme

- The Clean Growth Strategy set out the government’s ambition to halve greenhouse gas emissions from the public sector by 2032.
- To help achieve this and support economic recovery, the government will invest £1 billion over the next year in a Public Sector Decarbonisation Scheme.
- It will offer grants to public sector bodies, including schools and hospitals, to fund both energy efficiency and low carbon heat upgrades.
The government will establish a new Social Housing Decarbonisation Fund to help social landlords improve the least energy-efficient social rented homes, starting with a £50 million demonstrator project in 2020-21 to decarbonise social housing.
Energy Efficiency

Courts sustainability

• The government will invest £40 million to improve the environmental sustainability of the courts and tribunals estate in England and Wales, investing in initiatives to reduce energy and water usage.
Other Measures

Housing:

Temporary Stamp Duty Land Tax (SDLT) cut

- The government will temporarily increase the Nil Rate Band of Residential SDLT, in England and Northern Ireland, from £125,000 to £500,000. This will apply from 8 July 2020 until 31 March 2021 and cut the tax due for everyone who would have paid SDLT.
Other Measures

Hospitality:

- **Eat Out to Help Out** – In order to support around 130,000 businesses and to help protect the jobs of their 1.8 million employees, the government will introduce the Eat Out to Help Out scheme to encourage people to return to eating out.

  - This will entitle every diner to a 50% discount of up to £10 per head on their meal, at any participating restaurant, café, pub or other eligible food service establishment.

  - The discount can be used unlimited times and will be valid Monday to Wednesday on any eat-in meal (including on non-alcoholic drinks) for the entire month of August 2020 across the UK.

  - Participating establishments will be fully reimbursed for the 50% discount.
Other Measures

Hospitality:

• Temporary VAT cut for food and non-alcoholic drinks – From 15 July 2020 to 12 January 2021, to support businesses and jobs in the hospitality sector, the reduced (5%) rate of VAT will apply to supplies of food and non-alcoholic drinks from restaurants, pubs, bars, cafés and similar premises across the UK. Further guidance on the scope of this relief will be published by HMRC in the coming days.

• Temporary VAT cut for accommodation and attractions – From 15 July 2020 to 12 January 2021, to support businesses and jobs, the reduced (5%) rate of VAT will apply to supplies of accommodation and admission to attractions across the UK. Further guidance on the scope of this relief will be published by HMRC in the coming days.
CLC Talent Retention Scheme
Background

• A unique partnership between industry and Government to protect skills and the talent pipeline
• Keep our skilled and talented workers in our sector
• Enable businesses to rapidly recruit talented individuals
• A proven solution with a strong track-record in other sectors
• Wide-spread cross-industry support, pledges from leading employers
• Allows us to ramp-up activity and the recovery through new buildings and infrastructure
• Through the CTRS, Government is providing further tangible support to the industry
What is it?

• Help talented individuals showcase their experience and expertise
• Help businesses find the skills they need
• Online portal through which candidates can register their personal profile and CV and search for vacancies
• Companies interested in recruiting candidates can contact them directly through the portal and also upload any job vacancies they wish to promote
• Free until April 2021
• It covers all professional, trade and back office roles in the sector
Timeline

• Announced on 8th July
• Portal launch later in July
• Preparation has been going on behind the scenes
  • Securing funding
  • Skills and job mapping
  • Information leaflets – employer and candidates
  • Portal preparation
  • At launch there will be a full campaign – BESA participating
  • Further details and guidance on launch

Find out more and register your interest:

www.trs-system.co.uk/construction
Q&A

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Q&A

David Frise – Chief Executive – BESA

Skye Hardy – Finance Director – BESA

Kurt Hopkins – PR & Communications Executive - BESA

Daniele Palacios – General Manager - BESA Training

Paula Samuels – Head of Employment Affairs - BESA

Clare Watson – Director of Marketing & Communications - BESA
Webinar Programme

Coming Up:

**Tuesday 14th July** – We have a BIM special featuring the latest research on BIM adoption from the NBS, an update on mapping of UniClass to SFG20 plus a panel discussion on BIM in engineering services

**Friday 17th July** – TBC

**Tuesday 21st July** - The Opportunity in the Domestic Market

**Thursday 23rd July** – Online Training – BESA Academy
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