A PLAN FOR JOBS 2020

JOB RETENTION BONUS and OTHER NEW INITIATIVES

INTRODUCTION

On 8 July 2020 the Chancellor of the Exchequer, Rishi Sunak, delivered his Summer Economic Update 2020 to Parliament and announced A Plan for Jobs 2020 package to outline how the Government will boost job creation in the United Kingdom. This package of measures is intended to support jobs and give businesses the confidence to retain and hire people. We have highlighted below some of the key initiatives.

JOB RETENTION BONUS (JRB)

As part of the plan to support jobs, the government is introducing a new Job Retention Bonus to reward and incentivise employers who keep on their furloughed employees.

The unprecedented Coronavirus Job Retention Scheme (CJRS) has so far supported over one million employers to protect over 9 million jobs. The scheme has been open since March, and will wind down flexibly and gradually, supporting businesses until October. It is important that people who have been furloughed are supported back to work. It is beneficial for everyone, including the individual, to prevent skills from fading and to maintain strong employment relationships.

JRB - Eligibility

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. The Chancellor made it clear in his address to Parliament that ’it is vital people aren’t returning for the sake of it – they need to be doing decent work’. Also, employees must earn the equivalent of 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 and will cover, as far as we are aware, all employees for whom a valid claim has been made under the CJRS since March 2020 and who remain continuously employed until the end of January 2021.

Note: Further detail about the scheme will be announced by the end of July.

KICKSTART SCHEME – to create ‘high quality jobs for young people’

Possibly the most significant employment announcement is the government’s introduction of a new Kickstart Scheme. The scheme will fund the direct creation of high quality 6-month work placements aimed at those aged 16-24 who are on Universal Credit and deemed to be at the highest risk of long-term unemployment following the coronavirus (COVID-19) pandemic. The £2bn funded scheme will give young people the chance to build their confidence and skills in the workplace, and to gain experience that will improve their chances of going on to find long-term, sustainable work.
Kickstart Scheme Details

The funding available for each 6-month placement 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.

CONSTRUCTION LEADERSHIP COUNCIL – TALENT RETENTION SCHEME

Government is also funding a Talent Retention Scheme (TRS) to support the redeployment of those at risk of redundancy across the sector and to help retain essential talent in the UK construction industry.

Launching later this month (July), the Scheme will feature an online portal to match candidates with vacancies in the industry. As well as enabling temporary employee loans between businesses, the scheme will also give displaced workers from other sectors a route to find new employment in the construction industry. It will cover all professional, trade and back office roles and will be free to use until the end of the present financial year. BESA will publish further details when the scheme is launched. Meanwhile, you can register your interest at www.trs-system.co.uk/construction.

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BESA Employment Affairs will issue further information when this becomes available. Meanwhile, please visit the COVID-19 hub at www.thebesa.com or contact employment.affairs@thebesa.com for further information.