

Job retention bonus and training schemes: the Chancellor's statement

As is often the case, Government makes major announcements before the detail is available, so this information highlights some elements of the Chancellor's statement that may be relevant to your business.

1. Job retention bonus

It has been <u>announced</u> that the furlough scheme will be wound down and closed by the end of October 2020.

UKHCA is aware that some careworkers are currently furloughed because they have been shielding and/or pregnant. UKHCA is seeking clearer guidance on how their return to work should be managed.

The Job Retention Bonus announced by the Chancellor is 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 over £520 per month on average during this period. Payments will be available from February 2021. Further details of the scheme will be announced by the end of July.

2. Kickstart scheme

A new Kickstart Scheme will create 6-month work placements aimed at those aged 16-24 years and who are currently receiving Universal Credit and are deemed to be at risk of long-term unemployment. This will cover 100% of the relevant National Minimum Wage for 25 hours a week plus the associated National Insurance contributions and employer minimum automatic enrolment contributions. We understand that this will cover England, Scotland and Wales and that while additional funding is being provided to Northern Ireland it is, as yet, unclear whether arrangements will be the same there. We await further details on how to access this scheme.

3. Traineeships and apprentices

Employers who provide traineeship placements in England (i.e. training courses that include a work placement) will be eligible for a payment of £1,000 per trainee. Information on pre-existing arrangements for traineeships is <u>available here</u>. We await further information on how this funding will be accessed.

A payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and £1,500 for each new apprentice that they hire aged 25 and over. Further information about pre-existing arrangements for apprenticeships in social care in England can be found on the <u>Skills for Care</u> website. We await further details on how the new funding will be made available.

Apprenticeships are a devolved matter. Additional funding has been provided to the administrations in Scotland, Wales and Northern Ireland but it is, as yet, unclear whether these arrangements will be the same.

More information

Read the Chancellor's statement here.

Read the response of the Secretary of State for Scotland here.

Read the response of the Secretary of State for Wales here.

(At the time of writing a response from the Secretary of State for Northern Ireland was not available).

UKHCA continues to press the Government to address the financial sustainability of the homecare sector.

Disclaimer

The information in this e-mail alert is intended to provide a guide for UKHCA member organisations. It is not a comprehensive summary of the government policy or the law. Information about COVID-19 related issues is changing rapidly and this e-mail is not an alternative to seeking advice about specific situations on a case-by-case basis

Yours sincerely,
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