

## Lincolnshire's Resilience Forum



PREPARING FOR EMERGENCIES

### LRFBIZ V22– ECONOMIC RECOVERY VERSION

### CHANCELLOR'S SUMMER STATEMENT EDITION

## Lincolnshire Resilience Forum – Recovery Cell Comms Distribution

9<sup>th</sup> July 2020

### Headline Updates

#### Chancellor's Summer Statement Summary

##### Supporting Jobs

The Chancellor announced that there will not be a further extension to the furlough scheme beyond October.

However, as part of the plan to support jobs, a Job Retention Bonus will be introduced to help firms keep furloughed workers. UK Employers will receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of 31 January 2021. In Greater Lincolnshire there are an estimated 117,800 people who have been furloughed, one quarter of the total workforce.

Area	Total Employments Furloughed	Total Employment (based on BRES)	Proportion of employment furloughed
Boston	6,400	34,000	18.8%
East Lindsey	15,100	48,000	31.5%
Lincoln	10,800	57,000	18.9%
North Kesteven	11,400	42,000	27.1%
South Holland	8,700	41,000	21.2%
South Kesteven	16,800	58,000	29.0%
West Lindsey	9,000	28,000	32.1%
Rutland UA	4,300	16,000	26.9%
North East Lincolnshire UA	17,200	69,000	24.9%
North Lincolnshire UA	18,100	78,000	23.2%
<b>Greater Lincolnshire</b>	<b>117,800</b>	<b>471,000</b>	<b>25.0%</b>
Lincolnshire County	78,200	308,000	25.4%
<b>England</b>	<b>6,445,800</b>	<b>26,842,000</b>	<b>24.0%</b>

Source: HMRC Experimental JRS Statistics up to 31st May 2020  
Business Register and Employer Survey 2018

A new £2 billion Kickstart Scheme will also be launched to create hundreds of thousands of new, fully subsidised jobs for young people across the country. Those aged 16-24, claiming Universal Credit and at risk of long-term unemployment, will be eligible. Funding available for each six-month job placement will cover 100% of the National Minimum Wage for 25 hours a week – and employers will be able to top this wage up.

Around 8,100 16-24 year olds are currently claiming job seekers elements of Universal Credit in Greater Lincolnshire and make up 20% of all claimants.

### **Employment support, training and apprenticeships**

A total of £1.6 billion will be invested in scaling up employment support schemes, training and apprenticeships to help people looking for a job. This includes:

- Businesses will be given £2,000 for each new apprentice they hire under the age of 25. This is 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.
- A £111 million investment to triple the scale of traineeships in 2020-21 ensuring more young people have access to high quality training.
- £17 million of funding to triple the number of sector-based work academy placements in 2020-21
- Nearly £900 million to double the number of work coaches to 27,000;
- Over a quarter of a million more young people to benefit from an extra £32 million investment in the National Careers Service.

### **Infrastructure, decarbonisation and maintenance projects**

The Chancellor announced that the Government will look to stimulate jobs growth by bringing forward work on £8.8 billion of new infrastructure, decarbonisation and maintenance projects.

This includes a £3 billion green investment package that could help support around 140,000 green jobs and upgrade buildings and reduce emissions.

As part of this package homeowners and landlords in England will be able to apply for vouchers from a £2 billion Green Homes Grant scheme this year to pay for green improvements such as loft, wall and floor insulation that could save some households hundreds of pounds a year on their energy bills while creating thousands of jobs for tradespeople. We await a list of eligible interventions; it will be interesting to see if new gas boilers are included given recent proposals from government to stop allowing gas boilers in new builds.

The Chancellor also announced a £1 billion programme to make public buildings, including schools and hospitals, greener, helping the country meet its ambitions of achieving Net Zero by 2050.

In addition, £5.8 billion will be spent on shovel-ready construction projects to get Britain building. This includes:

- £1.5 billion for hospital maintenance and upgrades
- £100 million for our local roads network
- over £1 billion to start to rebuild schools in the worst condition in England, plus £760 million this year for key maintenance work on schools and FE colleges
- £1 billion for local projects to boost local economic recovery in the places that need it most
- £142 million for court maintenance to repair around 100 courts across England.

### **Stamp Duty Cut**

The Chancellor announced an increase to the Nil Rate Band of Residential SDLT (Stamp Duty) from £125,000 to £500,000 until 31 March 2021. This cut in stamp duty had been trailed and developers/estate agents were already reporting that this has stalled existing transactions as people deferred closing deals to wait to see what the chancellor was going to do. So there will have been an adverse impact putting sales on hold which should/may now proceed.

### **Boosting demand in the hospitality sector**

The rate of VAT applied on most tourism and hospitality-related activities will be cut from 20% to 5%. We have not yet seen any detail on this. In addition the Chancellor announced the Eat Out to Help Out discount scheme, offering a 50% reduction for meals in cafes restaurants and pubs across the country

Monday-Wednesday throughout August. It is hoped this will boost demand in the sector however is likely to receive a lukewarm response from public health bodies.

Greater Lincolnshire employs nearly 30,000 people in the visitor economy and associated sectors, which is indirectly worth almost £2.4bn to the local economy. Full details of the announcement can be found [here](#) and read the Greater Lincolnshire LEP Chair's response [here](#).

## Business and Economy Updates

### Plan for Jobs

Read the Chancellor's [Plan for Jobs](#) outlining how the government will boost job creation in the UK.

### Environment Agency 5 year Plan

The Environment Agency has launched its [5 year plan](#) for reaching a greener, healthier future. Its new 5 year plan, EA2025, calls for a new approach which promotes health, equity and environmental enhancement and says that the Coronavirus pandemic presents an opportunity to reshape a better future. It can help society better understand the largest public health threat of the century: climate change. By 2025 the Environment Agency aims to have created more climate resilient places and infrastructure, by ensuring the nation is prepared for flooding, coastal change and drought.

### Impact of COVID-19 on working household incomes

Analysis published on 8<sup>th</sup> July sets out the impact of government support on working households' incomes against the impact of earnings and job losses, comparing incomes in May 2020 to what they were in February this year. The publication can be found [here](#). It shows that government interventions since March have:

- supported the poorest working households the most (as a proportion of February income)
- been worth around a fifth of incomes for working households (on average)
- reduced the scale of losses for working households by up to two-thirds

### Smarter Manufacturing Digital Supply Chain Funding

Technology and manufacturing businesses can now apply for funding to develop innovative digital technologies that have the potential to transform supply chains. Full details can be found [here](#).

### Public Health England (PHE) Guidance

Public Health England has produced [guidance for PHOs](#) that explain their powers and outline how these powers should be used. These are useful for accommodation businesses who may have a customer that they suspect has Covid-19. The main powers are:

- PHOs may direct, remove or request a constable to remove, an individual to a place suitable for screening and assessment.
- PHOs may require an individual to be screened and impose other requirements on an individual in connection with their screening and assessment.
- Following an assessment, a PHO can impose requirements and restrictions on the individual.

## Webinars and Support

### Business Lincolnshire

Continue to visit [Business Lincolnshire](#) or call 01522 782189 for continued support to your Greater Lincolnshire or Rutland business to include access to an advisor, guidance, webinars, funding and grant information, case studies and networking opportunities.

### Free services to SMEs

The Recovery Advice for Business scheme, supported by the government and hosted on the Enterprise Nation website, will give small firms access to free, one-to-one advice with an expert adviser

to help them through the coronavirus pandemic and to prepare for long-term recovery. Advice offered will include bespoke, specialist assistance from accountancy, legal, and advertising to marketing, recruitment and digital to help businesses adapt to difficult circumstances and to bounce back as the UK economy recovers. The platform is now live and details can be found [here](#).

### **Enterprise Nation Covid support for business**

Businesses can receive free expert advice on a one-to-one basis from professional and trade body members to help support recovery from COVID-19. The advice covers a range of topics including HR, legal, finance and marketing which will be specific to your business. Access the free advice scheme on [Enterprise Nation's website](#)

## **Fixed Key Messaging**

- Visit [Business Lincolnshire](#) or call 01522 782189 for continued support to your Greater Lincolnshire or Rutland business
- As lockdown eases many more businesses can open subject to being Covid-secure. Guidance is updated [here](#) and the full list of businesses eligible to open is published [here](#).
- The government wants help from businesses to increase COVID-19 testing capacity in the UK. Click [here](#) if you can help and to find out more.
- Feed business impacts into our [Business Intelligence](#) platform to help us continue to develop solutions with Government.

As we move from Response to Recovery, the Lincolnshire Resilience Forum has created a Recovery Comms Cell made up of county and district councils, NHS, and LEP/ Business Lincolnshire leads to ensure consistency of key messaging. This is not intended as a comprehensive list but to update on new and key messages relevant to economic recovery. Follow and tag @ [twitter LRF](#) [twitter LEP](#) [twitter Business Lincolnshire](#)

