

NCFE



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## **NCFE guide to the government's Plan for Jobs**

# The NCFE guide to the government's Plan for Jobs business support programme

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## Introduction

The COVID-19 pandemic has seen a dynamic change in the UK economy and has had a devastating effect on businesses. The government announced a massive financial support package for businesses at the beginning of July 2020 in a bid to minimise damage to and assist the new growth of the economy. In the government's own words:

**“The government's furlough scheme has helped employers pay the wages of 9 million employees across the UK. 2.7 million people have been supported by the self-employment income support scheme (SEISS). Millions of households have received increases in welfare and statutory sick pay, and homeowners have benefited from a mortgage holiday. Businesses have been supported by tax cuts and deferrals, as well as cash grants, and over a million loans through four government-backed schemes.”**

The support to date via the furlough scheme, Bounce Back loans and SEISS have helped many businesses to mitigate immediate and large-scale layoffs. This new, additional investment has been designed to help employers recruit additional staff and unemployed workers to find another job.

This guide is designed to help employers understand what's on offer and enable them to decide which course of action to take to help their business during this difficult period.

## What is the Plan for Jobs?

Put simply it's a large-scale investment programme from the government that aims to protect, support, and create jobs to mitigate the "profound" challenges and "significant" job losses caused by the COVID-19 pandemic.

The programme has a series of steps to it which aim to support the UK's economic recovery. The steps include:

- creation of a new programme of work placements for 16-24 years olds (Kickstart)
- cash incentives to take on new Apprentices
- increasing and expanding the remit of the Traineeship programme
- direct financial support to employers (Coronavirus Job Retention Scheme - Furlough)

The plan also includes additional support for jobseekers covering careers advice and support and an expansion of the number of fully funded qualifications that young people can access should they wish to continue in further education.

The following guide explains in simple terms what each of the key programmes are, how they work, how they can be accessed and what the best offer is. Please note it will be updated as and when further and/or additional steps are announced.

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# Kickstart Scheme

## What is it?

A £2 billion fund to create hundreds of thousands of high quality 6-month work placements (new jobs) aimed at those aged 16-24 who are on Universal Credit and are deemed to be at risk of long-term unemployment. Young people will be referred to the scheme by their Job Centre Plus work coach.

## How long will it last?

Referrals are planned to start in November 2020, with the scheme initially open until the end of 2021. Once a job placement is created, it can be taken up by a second person once the first successful applicant has completed their 6-month term.

## What does it cover?

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.

## What about training?

The Kickstart job should not require individuals to undertake extensive training before they begin the job placement.

However, help for the young person may cover:

- support to look for long-term work, including career advice and setting goals
- support with CV and interview preparations
- supporting the participant with basic skills, such as attendance, timekeeping and teamwork

### **How many placements can be created?**

Ideally 30 placements per employer will be needed to make this a successful scheme. If your organisation is creating fewer than 30 job placements, you cannot apply directly but can seek out a representative to support you and other employers to partner up to offer the placement numbers. Over 500 organisations have now made themselves available to support you in this journey and this called the Kickstart Gateway.

### **What about progression and moving on?**

Ideally the individual will find a more sustainable job during or at the end of their placement. The young person can also, if they wish and the opportunity is available, move into an apprenticeship as progression if the role is a new one for that employer.

### **Where do I find out more?**

The application process is [here](#), the official overview is [here](#) and the grant funding agreement terms and conditions are [here](#).

# Cash incentive for Apprenticeships

## **What is it?**

Employers are being offered £2,000 for each new apprentice they hire aged under 25, and £1,500 for each newly recruited apprentice aged 25 and over. This includes taking on an apprentice who has been made redundant.

## **How long will it last?**

When you hire new apprentices between 1 August 2020 and 31 January 2021, you can apply for extra funding to give your organisation a boost.

## **What does it cover?**

The incentive payment for hiring a new apprentice is different to the apprenticeship levy, and you can spend it on anything to support your organisation's costs. For example, you could spend it on facilities, uniforms, your apprentice's travel, or their salary. You will not need to pay it back.

## **What about training?**

New apprentices will follow the same programme of training and assessment as is currently part of the apprenticeship chosen.

## **How many placements can be created?**

There are no restrictions on the number recruited so long as each is a new job for the organisation and not a re-badging of an existing role. The coronavirus pandemic has caused some organisations to make redundancies, leaving experienced, work-ready apprentices without an employer. That's why we've launched the Redundancy Support Service for Apprentices, giving them advice and help finding new opportunities.

For apprentices facing redundancy, working with organisations like yours could give them the chance to complete their apprenticeship. This offers loads of great benefits for you, such as:

- finding the skills you need to boost your organisation
- having an apprentice with relevant experience, so you'll notice a quick return on investment
- giving an enthusiastic apprentice who has lost their job a new start

### **What about progression and moving on?**

Once the apprentice has completed their apprenticeship programme then hopefully they will find employment either at the host company or within another in the sector or related to it.

### **Where do I find out more?**

An overview of the programme is [here](#) and the application form for employers wishing to hire an apprentice is [here](#).



# Traineeship

## What is it?

It is an education and training programme with work experience for 16 to 24-year olds - or 25 year olds with an education, health and care (EHC) plan - whose preference is to find a job or apprenticeship but who lack the skills, experience and behaviours sought by employers. Unlike an apprenticeship, a traineeship is a programme of learning and skills development. It is not a job.

## How long will it last?

It can last from 6 weeks up to 1 year, though most traineeships last for less than 6 months. Employers will receive an incentive payment of £1,000 regardless of duration of the work placement. Payments will be made on completion of the work placement. At present there is no end cut-off date for this programme.

## What does it cover?

For new starts, a traineeship will be made up of four core elements:

- A focused period of work preparation training with a training provider,
- A high-quality work experience placement with an employer to give the young person meaningful work experience and an opportunity to develop workplace skills.
- A basic skills element with English, maths and digital (where needed).
- Flexible vocational learning and qualifications

**What about training?**

Training can be tailored to the individual covering areas like CV writing, interview preparation, job search and inter-personal skills. There will also be a focus on preparing the trainee for occupational standards within apprenticeships or occupation specific employment, depending on the needs of the young person and linked to the local labour market.

**How many placements can be created?**

An organisation can take on up to 10 traineeship placements with the opportunity to increase if certain conditions are met.

**What about progression and moving on?**

Individuals can move into an Apprenticeship, self-employment, a job with the placement company or another or have started on a further learning course at Level 2 or Level 3 (according to funding rules).

**Where do I find out more?**

An overview of the programme can be found [here](#) and further details of what it's about [here](#).

# Coronavirus Job Retention Scheme (CJRS and also known as Furlough)

## **What is it?**

The CJRS was instigated in Spring 2020 to support employers through the first COVID-19 lockdown by enabling them to furlough employees, keep them on their books and receive a proportion of their wages from the government. The government is extending the CJRS to support individuals and businesses who are impacted by disruption caused by coronavirus (COVID-19) this winter. This is an extension of the CJRS and the scheme rules will remain the same except where we say otherwise.

## **How long will it last?**

The CJRS will now remain open until 31 March 2021, although it will be reviewed in January 2021.

## **What will it cover?**

For claim periods running to January 2021, employees will receive 80% of their usual salary for hours not worked, up to a maximum of £2,500 per month. The £2,500 cap is proportional to the hours not worked. Employers must still deduct and pay to HMRC Income Tax and employee National Insurance contributions on the full amount that they pay the employee

## **What about training?**

Not required for this programme although if an employee was undertaking training and has had it paused then it would be good practice to restart it.

**How many placements can be created?**

Not applicable as it's for all currently employed and affected employees.

**What about progression and moving on?**

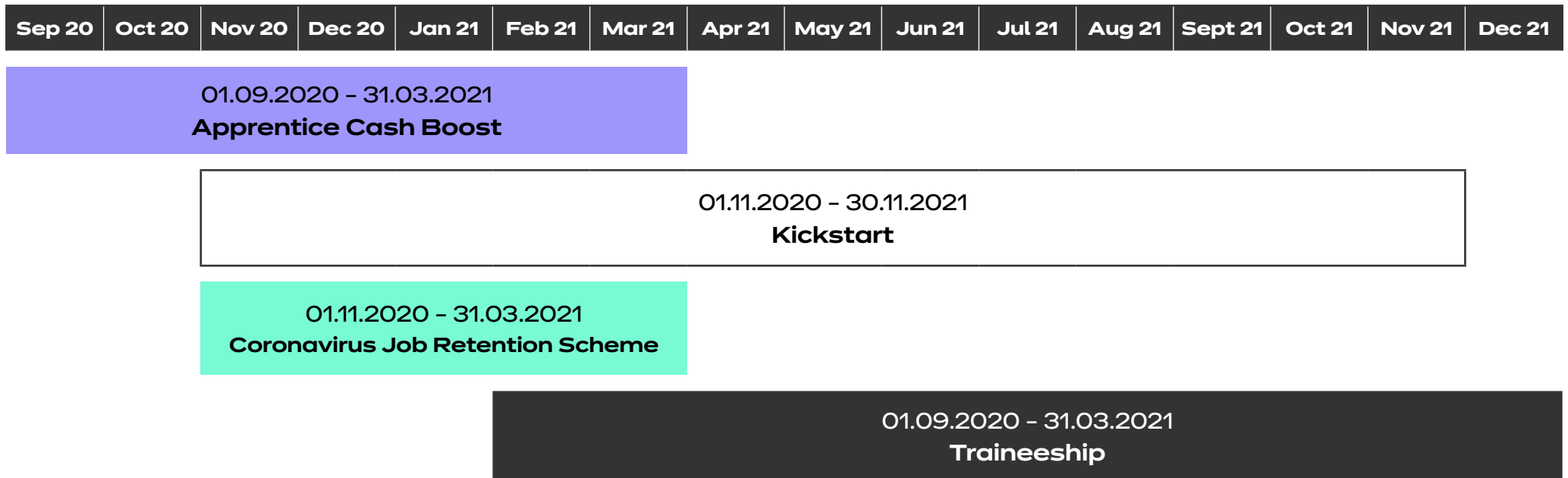
Not applicable as it's for all currently employed and affected employees.

**Where do I find out more?**

The overview of the scheme can be found [here](#).

## Appendix 1 - Table of scheme timelines

### Timeline 2020-21



## Appendix 2 - Flowchart of options

### Flowchart of options

