



WELFARE RIGHTS ADVICE IN NORTH AYRSHIRE

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Health & Social Care Partnership

Money Matters Update No 44

09/07/20

Government announces £1 billion investment in the DWP to 'support millions of people back to work'

The government has announced £1 billion of extra investment in the DWP to 'support millions of people back to work' as part of a new Plan for Jobs designed to help secure the UK's economic recovery from coronavirus.

The Chancellor Rishi Sunak has confirmed that the Coronavirus Job Retention Scheme "cannot and should not go on forever", and that to extend it further beyond October 2020 would be 'irresponsible'.

He further added:

'... now, in this new phase, we need to evolve our approach ... a new three-point plan for jobs first, support people to find jobs; second, create jobs; and third, protect jobs.'

As a result, alongside other measures as part of the government's economic response to the crisis - including cuts to stamp duty and VAT - the Chancellor outlined plans to invest an 'extra billion pounds' in the DWP including -

- £895 million to enhance work search support by doubling the number of work coaches in Jobcentre Plus across Great Britain before the end of the financial year.
- up to £95 million this year to expand the scope of the Work and Health Programme in Great Britain, introducing additional voluntary support in the autumn for those on benefits that have been unemployed for more than 3 months.
- £40 million to fund private sector capacity to introduce a one-to-one, online job finding support service in Great Britain in the autumn to help those who



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have been unemployed for less than three months to increase their chances of finding employment.

- funding to expand and increase the intensive support offered to young jobseekers to include all those aged 18-24 in the Intensive Work Search group in universal credit.
- increased funding of £150 million for the Flexible Support Fund, increasing the capacity of the Rapid Response Service and removing barriers to work such as travel expenses for attending interviews.

In addition, in parallel to the investment in DWP activity, the Chancellor announced a new 'Job Retention Bonus' to help firms keep furloughed workers, and a new 'Kickstart Scheme' to fund the direct creation of high-quality jobs for young people at the highest risk of long-term unemployment -

'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.

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 per cent of the National Minimum Wage for 25 hours a week - and employers will be able to top this wage up.'

NB - the government says that, in addition to the policies outlined in the Plan for Jobs, it also intends to support those who are out of work for a longer period with a new, large-scale employment support offer, and that further details will be announced shortly.



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For more information, see [Rishi's Plan for Jobs will help Britain bounce back](#) from gov.uk

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