

Today saw Chancellor Rishi Sunak deliver the Government's Summer Economic Update with the aim of giving businesses the confidence to retain and hire staff, as well as providing individuals with the tools that they need to get back to work.

The Chancellor stated that the economic response is moving through three phases. The first stage started when the lockdown was announced. The second phase is now about protecting jobs. After that will come a third phase, when they will need to rebuild. Mr Sunak was firm to acknowledge that people "face profound economic challenges" ahead and that "the job has only just begun".

In efforts to curb division amongst Britain's four nations, the Chancellor was keen to point out that nationalists cannot ignore the truth that they were only able to benefit from this because "we are a United Kingdom".

Furlough scheme

The Chancellor stated that the scheme will wind down gradually, protecting jobs until October. The Government will pay businesses a £1,000 job retention bonus for every furloughed worker that is brought back. If every furloughed worker is brought back, the policy would cost £9bn.

New kickstart scheme

A new £2 billion provision will 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.

"Eat out to help out" scheme

Mr Sunak announced a discount worth up to £10 per head for eating out in August. He highlighted that this measure has never been tried in this country. Referred to as the "eat out to help out scheme", vouchers will be able to be used on Mondays, Tuesdays and Wednesdays. The scheme will apply to everyone across the country, including children.

Infrastructure & housing

The Government will spend £2bn on a new green homes grant, alongside £1bn of funding to improve the energy efficiency of public buildings. Equally, the Treasury has temporarily raised the stamp duty property tax threshold where it applies in England and Northern Ireland from £125,000 to £500,000 to stimulate the property market.

VAT cut

From 20% to 5%

The VAT reduction on tourism and hospitality will last until January to help restart the sectors.

Traineeships

£1,000 per person

Businesses will receive £1,000 for every trainee offered a work experience placement.

Apprenticeships

£2,000 per person

For the next six months, the Government will pay businesses up to £2,000 for every new apprentice under 25 and £1,500 for those above 25.