

Members. We are here to support you.



The Chancellor's statement of 8th July provided many new announcements to help the industry. While we wait on the detail on all of these, the following is a summary of what was announced.

VAT cuts – VAT will be reduced from 20% to 5% for goods and services supplied by the tourism and hospitality sectors from Wednesday 15th July until 12th January 2021. This will cover food, accommodation and non-alcoholic drinks as well attractions.

'Eat Out to Help Out' Discount - to support restaurants and the people who work in them, the government is saying 'Eat Out to Help Out'. Therefore, for the month of August customers can avail of a 50% reduction, up to £10 per head, on sit-down meals and non-alcoholic drinks in cafes, restaurants and pubs across the UK from Monday to Wednesday in participating restaurants.

Job Retention Bonus - as part of the plan to support jobs, a Job Retention Bonus will be introduced to help firms retain furloughed workers. Employers will receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of 31 January 2021 as long as the employees are retained at at least £520 per month.

The Kickstart Scheme - the Kickstart Scheme will directly pay employers to create new jobs for any 16-24 year old at risk of long-term unemployment. 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 (and employers will be able to top this wage up), plus an amount to cover overheads. That means, for a 24-year-old, the grant will be in the region of £6,500.

Traineeships - The government will pay employers £1,000 to take on trainees, with triple the number of places. Traineeships consist of work experience placements, training (including English and Maths) and work preparation for 16-24-year-olds. They last from 6 weeks to 6 months depending on need and can lead to apprenticeships, further education and other employment.

Apprenticeships - for the next six months the government will pay businesses to hire young apprentices, with a payment of £2,000. They are also introducing a brand-new bonus to hire apprentices aged 25 and over, with a payment of £1,500.