

This is a quick update on the key points from Chancellor's Summer update delivered yesterday:

Coronavirus Job Retention Scheme

- No extension to the scheme was announced so as planned, the scheme will end in October. However the chancellor did announce a new job retention bonus.
- Businesses who bring back furloughed staff will receive £1,000 for each staff for continuously employing them until Jan
- To qualify for the bonus, employees must be paid at least £520 per month to qualify for this bonus

Kick-start Scheme

- A new scheme was announced to create 6 month placements for young people who are on universal credit. The scheme is expected to start in August.
- Businesses employing 16-24 year old and paying them a minimum wage will qualify to receive six month wage from the government. The wage support is expected to be capped up to £205 per week (100% of the minimum national wage for 25 hours per week).

Stamp Duty

- Current £125k stamp duty exemption threshold will now be uplifted to £500k meaning that the first time buyers will pay zero stamp duty for buying a property with the value of up to £500k.

VAT changes

- VAT on food, accommodation and attractions will be cut from 20% to 5%.

Other key announcements

- Eat Out to Help Out scheme was introduced for the entire month of August (Mon to Weds). Under the scheme, food lovers will receive 50% discount (up to the maximum of £10 per head) on their food orders.
- Separately to the kick-start scheme, businesses who hire new apprentices will receive £2,000 per apprentice under the age of 25. This amount will reduce to £1,500 for apprentices over 25.
- The government will pay £1,000 per trainee under the traineeship fund.