

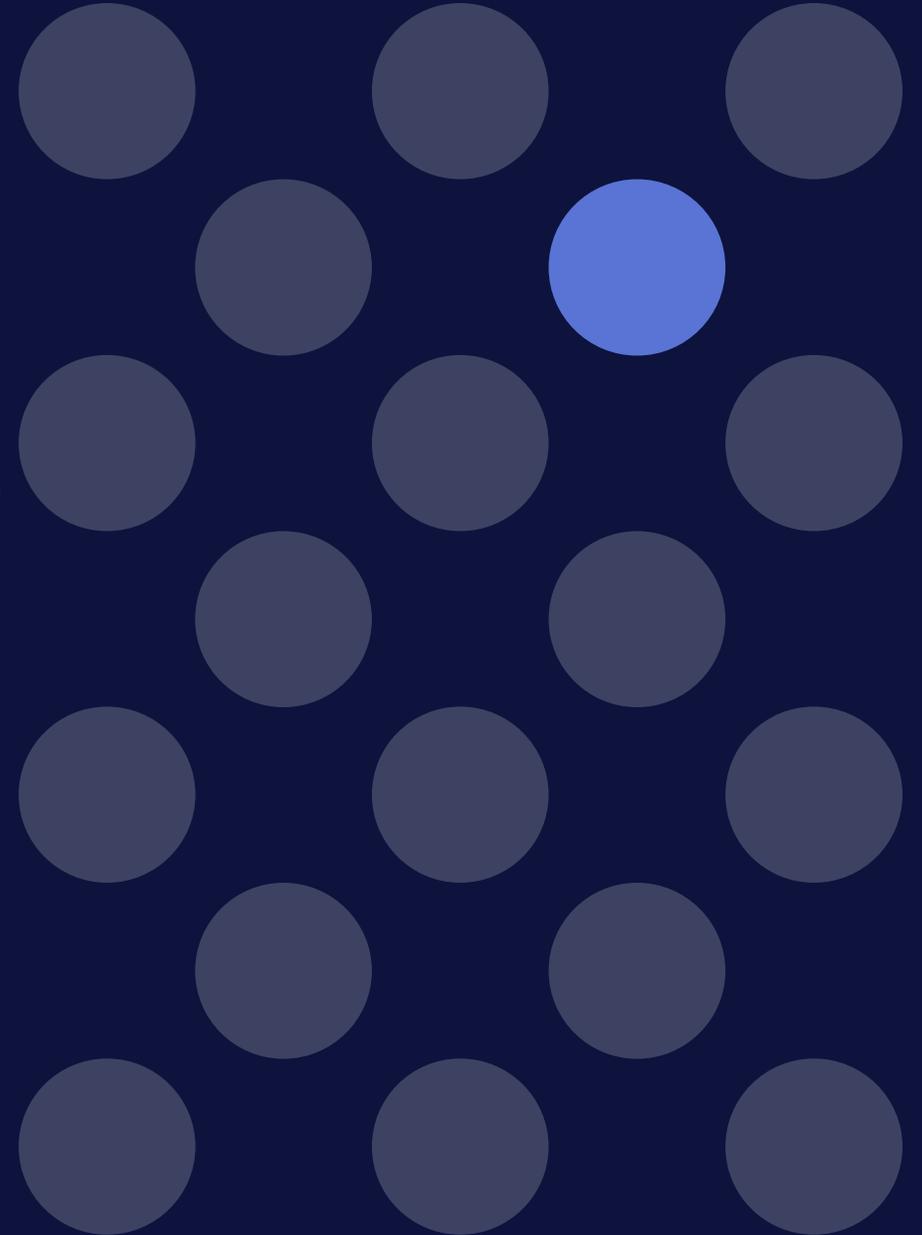
**REC**

Recruitment  
& Employment  
Confederation

# Managing the Coronavirus crisis

## The Government support package

23 March 2020



# Chancellor's announcement – 20 March

Together with other business organisations, we have stressed the need for urgent government support to protect businesses and jobs. The Government's announcement included some welcome measures:

- Coronavirus Job Retention Scheme
- deferring VAT and Income Tax payments
- Statutory Sick Pay relief package for SMEs
- a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England
- small business grant funding of £10,000
- grant funding of £25,000 for retail, hospitality and leisure businesses
- the [Coronavirus Business Interruption Loan Scheme](#) - offering loans of up to £5 million for SMEs through the British Business Bank
- a new lending facility from the Bank of England to support liquidity among larger firms, helping them bridge disruption to their cash flows
- the HMRC Time To Pay Scheme



**Full details on all the above, including eligibility and the application process is available on [the Government website](#).**

# Industry's response

Overall, we support the package from Government which comes as the result of collaboration between business, government and trade unions.

The response from other business bodies has also been positive.

- Cash-flow is the major challenge for our sector, which is why the two loan schemes are an important way forward:
  - **Coronavirus Business Interruption Loan Scheme** will provide government-backed loans of up to £5 million to SMEs (turnover of up to £45m). The Government will pay the interest to the bank. We are seeking more details on this for members.
  - **The Bank of England's Covid Corporate Financing Facility** will provide a quick and cost-effective way to raise working capital for those large firms who need it.

# The recruitment industry's response

- Our message to Government has also centred on the need to protect jobs. Our webinar poll earlier in the month showed that 90% of recruiters expect the crisis to have a direct impact on jobs in the short term.
- The Coronavirus Job Retention Scheme includes the Treasury paying up to 80% of salary, even while workers are not working. We are currently working with government officials to get more details on how this will work in practice.
- Other government support measures include the small business grant funding of £10,000 and deferring VAT payments to this time next year. The feedback from REC members on these and the other measures announced has been very positive so far.

Time to

**protect jobs**

# REC priorities – member engagement

1. Our legal helpline is taking an unprecedented number of calls and will continue to provide a direct outlet for members.
2. Regular updates, briefings, podcasts and Q&As and being posted on our Coronavirus hub.
3. The crisis is impacting across all sectors and we will continue to use our 18 sector groups to provide specific sectoral updates.
4. We will use forthcoming online briefings and webinars to facilitate peer to peer exchanges on managing the current crisis.
5. We will use the feedback and insight from our Good Recruitment Collective as well as our JobsOutlook data to relay the latest intel from clients.

Please send us your comments and examples of other practical support measures that would make a difference at the current time.

# REC priorities – external engagement

1. We have a daily cross-economy call on the action needed, hosted by CBI and including No 10. We will use this to relay feedback from members and get more details on announcements such as the job retention scheme.
2. We are also taking forward a range of specific issues for our members, including on SSP, key workers and online Right to Work checks.
3. Our work with the World Employment Confederation is providing a global insight on how the industry is managing the crisis.
4. We will continue to nurture a strong collective voice with other bodies within the recruitment sector as well as across the wider business community. This is a time for co-operation.
5. We will circulate intel from our discussions to members as it becomes available.

Government is working closely with REC and trade bodies, and are looking for feedback and ideas. Please share your comments:

[policy@rec.uk.com](mailto:policy@rec.uk.com)

# What's next?

1. We will ensure our industry remains at the forefront of the political discussion through our [four core messages to government](#).
2. The focus must remain on business survival and protecting jobs. As part of this, we are lobbying for an SSP refund for all businesses and we expect additional measures to support freelancers.
3. Once the government support measures are implemented, we will increase the focus on how the recruitment industry can facilitate transitions into roles and sectors where staff are needed more than ever.
4. We are in discussions with the Department for Business around how recruiters can help match individuals to roles under the proposed Volunteering initiative.
5. As things progress, our research and support will be how to prepare and how recruiters can play a major role in the post-crisis come-back.

