

# Labour market priorities for the 2021 Budget

**Submission from the Institute for Employment Studies** 

14 January 2021

# Introduction

This note sets out our view on the key priorities for action at the March Budget. The coronavirus crisis has already taken a significant toll on the labour market, with over half a million fewer people in work than before the pandemic and likely at least seven million workers now either away from work or working reduced hours in this current lockdown.

However with vaccine rollout gathering pace and the likelihood of us being able to ease social restrictions from the Spring, we believe that this should be a Budget for Jobs – with measures to boost new hiring, support growth in decent work and invest in employment and skills support; while continuing to protect and support those in greatest need.

This submission draws on a number of reports and analyses in recent months exploring the impacts of the crisis on the economy overall and on different groups, as well as forthcoming work on the impacts on the low paid and on young people.

Overall, our analysis¹ has found that the lowest paid, the youngest and oldest have seen the most significant impacts of this crisis. However by looking at flows into and out of disrupted work, we see that while young people have been more likely to leave work they were also more likely to return to normal working after lockdown. Workers aged over 50 on the other hand have been the least likely to move back into normal working. With economic inactivity also increasing for those with long-term ill-health and the disability employment 'gap' showing worrying signs of starting to widen, we believe that there is a clear case for new measures to extend and improve support for those further from work.

Looking at trends in sectors and occupations, there are clear signs that jobs are being lost in relatively lower paying work – particularly in food services, food manufacturing (which explains all of the decline in manufacturing overall), residential care and construction. However our research has also found strong jobs growth in higher paying occupations – driven by service industries and in particular public services, finance and technology. However while this could be seen in positive terms, this could also widen inequalities in the labour market – with in particular ethnic minority groups more likely to lose their jobs in shrinking sectors and occupations and less likely to gain jobs in growing ones.<sup>2</sup>

Looking ahead, we are likely to still be in the foothills of the labour market impacts of this crisis, with much of the effects so far being muted through the success of the support measures introduced to protect jobs (and much of the growth in employment reflecting emergency public spending to deal with the pandemic). In our view, when the recovery comes we will see a significant bounceback – but that the full lockdown this year, and the prospect of ongoing restrictions through to the summer, means that the recovery may come later, and unemployment rise faster, than was forecast by the OBR in November.

We believe that the Budget should therefore prioritise action in eight areas as follows.

<sup>&</sup>lt;sup>1</sup> Williams, M., Cockett, J., Boustati, A., Ebanks-Silvera, D. and Wilson, T (2020) The impacts of the coronavirus crisis on the labour market, Institute for Employment Studies

<sup>&</sup>lt;sup>2</sup> Ibid

# 1. Reducing labour costs so as to boost hiring

We have been calling for a reduction in labour taxes since early in the crisis, which the government has understandably held back from doing while social distancing restrictions have been in place. However we believe that with vaccine rollout accelerating and a likely end to full lockdown around Easter, then late spring/ early summer is the optimal point to cut employer payroll taxes and boost labour demand. Ultimately, the only way to avert a significant labour market crisis will be to significantly boost hiring, and a significant reduction in the National Insurance burden for firms would have a clear bottom line impact for firms and send a strong signal to get hiring.

We would recommend doing this through a targeted reduction in employer National Insurance Contributions (NICs). These are the single largest non-wage labour cost that employers pay, and reducing them will have a short-term positive impact on labour demand³ and can be brought on-stream immediately. The best way to do this would be to raise the threshold at which they start being paid. Raising this threshold by £2,000 – to £10,800 – would reduce the NICs paid for any employee earning above this amount by £275 a year and would mean that no tax at all was paid on staff that earn below this amount. The net cost of doing this would be around £5.5 billion⁴.

The extent to which this £5 billion cut in labour costs would lead to increased employment depends inevitably on how employers respond. The literature suggests that there would be a positive impact, that this would be felt in higher employment more than in higher wages, and it would be most pronounced for lower paid staff and women. A reduction in employer NICs would be particularly supportive of new hiring, but it is also plausible that those employers planning redundancies due to short/ medium term disruption could also be responsive to a cut in labour taxes – redundancies are costly and disruptive, and an immediate reduction in payroll costs would create a strong incentive to retain more staff.

### A 'New Start' wage subsidy

Alongside a reduction in non-wage labour costs, we would also recommend introducing a targeted 'New Start' wage subsidy to support recruitment of the long-term unemployed specifically. Wage subsidies have been a feature of the response to previous recessions, mainly to incentivise firms to hire the long-term unemployed rather than to boost demand generally (as take-up tends to be low) and international evidence finds that they modestly raise demand for disadvantaged workers and have positive employment effects for beneficiaries. Learning from previous schemes, we would recommend that the new subsidy is:

■ Set at £3,000 – so a level that is likely to affect employer behaviour

<sup>3</sup> See for example Eurofound (2017), *Employment effects of reduced non-wage labour costs*, Luxembourg

<sup>&</sup>lt;sup>4</sup> Based on the government's <u>Direct Effects of Illustrative Tax Changes</u> ready-reckoner. The gross cost would be £6.2 billion, but around one fifth of this would flow back through lower NICs for public sector workers.

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- Actively managed and promoted by Jobcentre Plus employer engagement teams, local government, those delivering the Back to Work Service and employer/ sector partners
- Simple to claim e.g. with half is paid immediately on employment, and the remainder paid in monthly instalments
- Monitored and enforced appropriately with indicative allocations to Back to Work Service providers based on caseloads and take-up, and Jobcentre Plus allowed to suspend future payments where there is evidence of employer abuse
- Carefully targeted for example, only eligible for those still unemployed after three months on the Back to Work Service

Based on take-up of 50,000 participants a year, which would be high by historic standards, this would lead to costs of £150 million per year.

# 2. Financial support for low-income households

#### **Social security**

The temporary £20 increase in Universal Credit has made a significant difference in supporting low-income households affected by the crisis. We believe that this increase should be maintained for at least a further year, as the economy and labour market continues its recovery.

We would also recommend temporarily suspending the benefit cap. The number of capped households had more than doubled by August – rising from 90,000 to 168,000 – with 140,000 of these being families with children (and 100,000 single parent households). There is a nine month 'grace period' for the newly unemployed, so the recent rises are in effect clawing back the £20 increase in UC from households that were previously at or near the cap level. However, we can expect further sharp rises from January as those who made new claims in April start to see their incomes capped. Given that affected households will continue to find it far harder than usual either to find work or to move home, we believe that there is a strong case to temporarily suspend the cap.

Thirdly, we believe that more support is needed for low-income renters, who have been hit particularly hard in this crisis (with Citizens Advice research suggesting that half a million are behind with their rent due to the pandemic.<sup>5</sup>) The extension of eviction bans is welcome and needs to continue until at least the spring. However we believe that more is needed both to address problem debt and provide ongoing support for those whose incomes have fallen. In our view, this should include an increase in emergency grant and loan support for low-income renters with problem debt; and a temporary increase in the Local Housing Allowance from the 30<sup>th</sup> to 40<sup>th</sup> percentile of local rents – to slow the

<sup>&</sup>lt;sup>5</sup> Derricourt, R., Hann, C. and Byrne, G. (2021) *New year, same arrears: How the pandemic is leaving private renters with unmanageable debt*; Citizens Advice

growth in housing debt for those who have lost income and are unable to reduce their housing costs.

#### Flexible furlough

Our research has identified under-employment, rather than full furlough, as a significant driver of work disruption, insecurity and lost income during lockdowns. Changes to the JRS rules to introduce 'flexible furlough' have enabled JRS to mitigate the impacts of under-employment during this lockdown and through to the end of April.

Given that there will almost certainly continue to be ongoing social distancing restrictions through to the summer, even if there is a case to end access to full furlough in April there will need to be continued access to 'short-time working' support for those whose work continues to be disrupted – both to support a return to work for those currently on full furlough and to provide transitional support for those who have seen their hours reduced.

We therefore think that as the JRS is wound down, the government should either maintain a version of the 'flexible furlough' rules <u>or</u> introduce its previously-planned Job Support Scheme so as to provide income support for those returning to or remaining in work but on reduced hours. Some of the costs of doing this would be offset by lower Universal Credit spending for those on the lowest incomes; while costs could be still more reduced by further targeting eligibility (for example, on those earning below £25,000 a year). This should be introduced as a transitional measure for as long as social restrictions remain in place and for a transition period back to non-distanced working.

### Supporting isolation and those who cannot work due to caring

All three lockdowns have highlighted the need for improved financial support for those required to take time off work due to the pandemic – whether due to illness, self-isolation or caring responsibilities. Our research has shown that low-income workers have been particularly hit hard, but also that the reliance on the JRS to provide support has seen many people slip through the cracks. This has likely been further exacerbated in this lockdown due to JRS rules now making clear that illness or self-isolation are <u>not</u> eligible reasons for furloughing staff.

The introduction last year of the Test and Trace Support Payment has been welcome, as it has paid £500 directly to the lowest-income households where they have been directed to self-isolate. This has helped to address the most immediate impacts of our inadequate system of statutory sick pay (see below). However, the entitlement to payment is restricted to those who are both on Universal Credit and have been told to self-isolate by the NHS, with others in hardship required to apply for discretionary support from their local council. This 'discretionary' element creates uncertainty and delay in accessing funding, and recent reports suggest that in many cases it has been significantly oversubscribed, leading to funds being exhausted and eligibility tightened.

We believe that full entitlement to the payment should be extended to a much wider group of workers where they are required to isolate due to Covid-19: as a minimum, all of those

who are in low pay (ie earning below £9.50-10 an hour) but ideally to all workers, as the New Policy Institute has proposed.<sup>6</sup>

Current school closures have also reiterated the need to support those who cannot work due to caring responsibilities. While those who need to reduce work due to caring <u>can</u> be placed on furlough, this only covers eligible employees and is also reliant on employers agreeing to these requests. So, in our view, the Test and Trace Support Payment system should also be used to provide non-means-tested financial support, at £250 per week, for those unable to work due to caring needs. This should continue to be the case when schools reopen, for example to cover school and class closures (as we called for in our recent report with Gingerbread<sup>7</sup> and as was subsequently adopted by the Welsh government).

#### **Statutory Sick Pay**

This crisis has shown that our system of sick pay is not fit for purpose – with around seven million workers excluded because of their earnings or employment status, and the statutory minimum of £96 a week equivalent to just one-fifth of the average wage (placing it among the lowest in Europe). It is also unusual in only becoming payable after three days of absence (although this has been temporarily reduced to one day for Covid-19 symptoms). Those in the lowest-paying occupations are also far more likely to only be paid at this minimum, statutory level.<sup>8</sup>

This creates financial hardship for those in low incomes who cannot work; contributes to increased working while unwell; and even with reforms to the Test and Trace Support Payment it increases the risk of virus transmission – for example where people are waiting for a test or for their results, or where they have not sought a test because of atypical symptoms. Our interviews with stakeholders emphasised that SSP was not fit for purpose and needed to be reformed.

Many employers choose to pay above SSP and so are in effect penalised by the rate being set a level where competitors can undercut them by only paying the minimum. A stronger rationale for keeping rates low would be so as not to add costs for smaller employers who are less able to bear long periods of absence, which in the past was addressed through a 'percentage reduction scheme' where any sick pay costs above 13% of that month's National Insurance liability were reimbursed. This was withdrawn in 2016 with the funding redirected to a new 'Fit for Work Service', but was not reintroduced when that service was subsequently abolished.

<sup>&</sup>lt;sup>6</sup> 'Test and trace: paying the £500 to all workers who need it will show society's support for those must self-isolate', NPI, 4 January 2021: <a href="https://www.npi.org.uk/blog/health/test-and-trace-paying-500-all-workers-who-need-it-will-show-societys-support-those-must-self-isolate/">https://www.npi.org.uk/blog/health/test-and-trace-paying-500-all-workers-who-need-it-will-show-societys-support-those-must-self-isolate/</a> [accessed 11 January 2021]

<sup>&</sup>lt;sup>7</sup> Clery, E., Dewar, L., and Papoutsaki, D. (2020) *Caring without sharing: Single parents' journey through the Covid-19 crisis*, Interim Report; Gingerbread and Institute for Employment Studies

<sup>&</sup>lt;sup>8</sup> DWP and DHSC (2019) *Health in the workplace – patterns of sickness absence, employer support and employment retention*, Department for Work and Pensions and Department for Health and Social Care

We would recommend that the government consult on a significant increase in Statutory Sick Pay to at least £200 a week (which would be about half a full-time salary at the real living wage), alongside the reintroduction of a percentage threshold scheme to minimise the financial costs for smaller employers. We would also recommend making eligibility to SSP permanent from day one of illness.

#### **Levelling Up**

As we start to plan for recovery, there are risks that those areas that are relatively weaker are slower to recover (due to having more low-income residents where crisis impacts have been greater). This could then be exacerbated if public sector budgets are cut too quickly in the coming years, as happened in the last crisis (as weaker areas are generally more reliant on public sector employment than more affluent areas).

Furthermore, even if all areas recover equally, this would return us to a status quo ante where worklessness, low pay and job insecurity were far more prevalent in some areas than others – with for example those in the North East of England one-fifth more likely to be out of work than the population as a whole; and around one in five of those in the north of England, Midlands and Wales in low-paid work (compared with just one in seven in the South East and one in twelve in London).

So supporting a strong recovery, job creation and investment in more disadvantaged areas should be a top priority. This should include ensuring that:

- the new £4 billion Levelling Up Fund is used transparently and objectively to support investment and growth in good quality, secure work in disadvantaged areas – with clear expectations on bidders to demonstrate how proposals will tackle unemployment and support growth in decent work;
- investment in the new Shared Prosperity Fund at least matches the UK's allocation from the European Structural Funds that it will replace – so around £2 billion per year – and that this is also targeted at areas that are more disadvantaged; and
- we continue to maintain investment in all public services not just ring-fenced budgets

   over the coming years, so that we do not risk choking off the recovery in those areas
   more reliant on public employment.

# 3. Employment support for the most disadvantaged

The government's measures to support the unemployed and to deal with the cyclical impacts of the crisis have been very welcome. However there are clear warning signs that the most disadvantaged in the labour market, most of whom were out of work before the crisis, risk falling further behind – in particular disabled people, those with long term health conditions, older people, the lowest qualified and those in some ethnic minority groups.

In the aftermath of previous recessions, there has been an inevitable tendency to draw back from efforts to address wider structural challenges in order to focus effort on those directly affected by the downturn. While understandable, it has also perpetuated a pattern

where governments begin to make most progress on dealing with these underlying structural challenges just at the point when the next downturn hits.

We cannot afford to let that happen this time, for two important reasons – first, because these issues will only grow in importance during the recovery; and secondly because progress was just starting to be made in developing policy responses to many of these issues before the crisis hit. In particular, we would recommend investing at the Budget in new measures to support employment for disabled people and those with health conditions – where there are worrying signs that the employment 'gap' is now starting to widen. We would recommend in particular:

- Moving quickly to fund successor programmes to the Work and Health Programme and the Intensive Personalised Employment Support programme – with increased investment and a greater focus on providing evidence-based, specialist employment support for disabled people and those with long-term ill health.
- Increasing funding for Access to Work and in particular supporting its promotion with employers.
- Promoting and encouraging workplace support for those with mental health conditions, including by expanding access and funding for occupational health, encouraging more use of evidence-based approaches like mental health awareness training for line managers and promoting Employee Assistance Programmes
- Announcing new funding for 'test and learn' initiatives that can build the evidence base on what works in increasing employment for disabled people and those with health conditions – building on the work of the former joint Work and Health Unit
- Continuing to encourage health services to view work as an outcome, and to invest in services that can help support those out of work and with poor health to prepare for and move into appropriate work

# 4. Support for those in low-paid, insecure work

We believe that there is now every chance that the next two years will be characterised by an under-employment crisis rather than an unemployment one – with a growth in those in low paid and insecure work, with insufficient hours, and who are over-qualified for their jobs. Our policy response has rightly focused so far on protecting existing jobs and supporting those out of work, but as we move into recovery we need to ensure that we are supporting decent work and helping those in second choice jobs to move into more secure and rewarding roles.

# **Investment in the Single Enforcement Body**

We will be publishing research in January that will set out how we believe that employment protections for low paid workers can be improved. Specifically at the budget however, we would welcome a commitment to providing sufficient funding for the new single enforcement body to ensure that it can adequately protect and enforce workplace rights. This should include sufficient funds to:

- Increase the number of inspectors to one per 10,000 workers, as recommended by the International Labour Organisation. The UK has one of the worst resourced regimes in Europe, meaning that on average employers can expect a visit for wage enforcement once every 500 years, and for agency rights enforcement once every 20 years; while funding for the HSE has halved since 2010.9
- Shift the balance to more proactive engagement and enforcement with a doubling of resourcing for Acas so that it can provide more support to employers and individuals; broad-based awareness campaigns working with sector bodies, unions and advice services; funding for Local Enterprise Partnerships to be able to support and join up employer engagement and compliance efforts locally; and a target of 60 per cent of inspections being proactive rather than reactive.
- Provide more support for small employers to improve their practices in particular by offering all firms with fewer than 50 employees a free, annual HR 'MOT' through Acas.
- Ensure that workers receive the settlements that they are due. In particular, the government should ensure that the enforcement is able to take action against employers for non-payment of tribunal awards, and should compensate employees where employers do not pay.

#### **Good Work Partnerships**

Our research has found that low-paid work is still too often characterised by insecurity, one-sided flexibility and inadequate support. So we think that legislative reforms and improvements in enforcement need also to be matched with putting in place more effective and proactive support for employers to create good quality, secure and rewarding work. We think that this should be underpinned by new, local **Good Work Partnerships** between employers, government and social partners to support sharing of practice, expertise and capability building. These could be organised at Local Enterprise Partnership level, and comprise:

- Public investment to support smaller firms to build their HR capability through access to annual HR MOTs as set out above, as well as resourcing for LEPs to commission business-to-business HR support.
- Partnership working with Chambers of Commerce, Business Improvement Districts and local sector bodies, and social partners/trade unions to promote sharing of good practice, resources and collaboration.
- Resourcing of local authorities so as to use local levers like planning, licensing and procurement to engage firms in low-paying sectors (particularly, for example, hospitality and social care), and encouragement of engagement with support including encouraging take-up of JRS/JSS support.

<sup>&</sup>lt;sup>9</sup> HM Government (2018) United Kingdom Labour Market Enforcement Strategy 2018/19

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Alignment with wider employment skills funding to support investment in workplace training and development of skills pathways within sectors (for example building on the Work Advance model in the United States).

Potentially, offering greater access to support and funding for those firms that can sign up to a small number of commitments around quality and support – like paying a real living wage, guaranteeing hours, employee voice, trade union recognition and providing access to minimum standards of workplace support.

A number of Combined Authorities are already working towards similar models, particularly in response to the crisis – so these Good Work Partnerships could build on this work, perhaps initially trialling and evaluating the approach in three or four areas before rolling out more widely.

# 5. Support to move into growing and higher skilled work

Both public and private investment in adult training have fallen precipitously over the last decade, and there are signs that employer training has fallen even faster during this crisis (most notably in Apprenticeships). At the same time however, we are already seeing growth in a number of relatively higher skilled an better paid occupations. Skills training is particularly important for those affected by recessions, as there is extensive evidence that the longer people are out of work the more likely they are to lose job-specific skills ('skills atrophy') and become less well-equipped for the labour market.

In order to make up these shortfalls in training, to support transitions to better work and to improve prospects for those in low-paid roles, we think that there is a strong case for increasing investment in work-related training for those both out of work and in low-paid work. Our stakeholder interviews and workshops also identified this as a key priority for action. As a first step, we would recommend that a significant portion of the £2 billion remaining in the new 'National Skills Fund' is used to help to develop and co-fund:

- Sector-based training pathways in industries with high numbers of low-paid staff including for example construction, retail, hospitality and social care. This could learn from the Work Advance model in the US and from local and national work in the UK to develop these, particularly related to major construction projects (like HS2).
- Demand-led retraining support in growth sectors including health services, the green economy, technology and finance.
- Outreach support to engage low-income and lower-qualified workers, who are often least likely to take up training support. This should build on the outreach and engagement pilots funded by government last year in particular by encouraging workplace promotion of skills and training support, and tailoring messages to the needs of different groups.<sup>10</sup>

<sup>&</sup>lt;sup>10</sup> Learning and Work Institute (2019) Cost and outreach pilots evaluation: Interim report, Department for Education Research Report 943

This provision will need to be carefully aligned with wider adult skills provision and employer engagement, and in particular with devolved activity being led by Local Enterprise Partnerships and Combined Authorities in England; with local Recovery Boards where these exist; and with new employment services, including the proposed Restart programme.

# 6. An Opportunity Guarantee for young people

The range of measures announced for young people since the summer have been very welcome. The priority for supporting young people must now be ensuring that these measures can be pulled together into a coherent offer, that individuals can get the support that they need to access it and to make successful transitions into education, training or employment, and that we can guarantee that no young person should become long-term unemployed.

We therefore would like to see a clear, unambiguous guarantee that every young person that needs help to move into education, training or work will get it; and that no young person will become long-term unemployed without having had a meaningful offer of a job or training. Key to achieving this will be ensuring that frontline services that engage young people (in education, Jobcentre Plus, careers and local government) are able to work together to identify, engage and support young people; and that more intensive and specialist support like Kickstart, traineeships and subsidised apprenticeships are being targeted effectively at those at most risk of becoming long-term unemployed.

We would particularly welcome a commitment to work with a small number of local areas to test a new, integrated **Youth Employment and Skills Service** that brings together youth employment, training, skills and welfare support in a single, integrated service. This should build on the learning from the 'MyGo' model developed as part of the Greater lpswich City Deal which ran from 2014 to 2017.

We would also ask that the government consider the case for reintroducing maintenance support for low-income learners, so as to support more young people to stay in education and improve their skills over the next few years. Evaluation evidence suggests can increase attainment overall, and particularly for disadvantaged learners. This could also build on the successful Activity Agreements pilots, which combined personalised support, financial incentives and mutual obligations.

# 7. End the crisis in social care

In his first speech as Prime Minister, Boris Johnson set out that the government would bring forward proposals to 'fix the crisis in social care once and for all'.<sup>11</sup> Eighteen months on and the Covid-19 crisis has not only highlighted the extent of this crisis but exacerbated it – with our research emphasising the impacts specifically on low-paid and

<sup>11 &#</sup>x27;Boris Johnson's first speech as Prime Minister: 24 July 2019', available at:
<a href="https://www.gov.uk/government/speeches/boris-johnsons-first-speech-as-prime-minister-24-july-2019">https://www.gov.uk/government/speeches/boris-johnsons-first-speech-as-prime-minister-24-july-2019</a>
[accessed 11 January 2021]

insecure workers in adult social care. Overall, around one million people work in front-line care roles, with three-fifths paid below a real living wage and one in ten employed on zero hours contracts. <sup>12</sup> Ending the crisis and properly funding adult social care would be good for those in need of support, good for those in the current workforce in low-paid and insecure work, and it would support the recovery – by supporting job creation and creating new opportunities for those out of work.

Work by The Health Foundation estimates that increasing funding in order to meet future demand and delivering pay increases in line with the NHS Pay Deal would cost £6 billion per year, while raising local authority budgets by 10 per cent would add a further £2.3 billion. We would support recent proposals made by the Resolution Foundation for a new Health and Social Care Levy on earnings above £12,500 (alongside reforms to employee National Insurance), which if implemented would increase funding for social care by £6 billion a year.

# 8. A new #WorkingTogether coalition

Finally, with us increasingly being able to look forward to how we rebuild from this crisis, we believe that now is the time for a broad, consensus building campaign to bring employers, social partners and all levels of government together to support the recovery. So we would recommend that government convenes and leads a new '#WorkingTogether' coalition to support full employment and decent work.

As part of this, we would recommend that government work with businesses, social partners and sector bodies, and via Local Enterprise Partnerships, to develop and then promote a government- and business-led **#WorkingTogether Charter** to promote employment and good quality work in the recovery. This should be built on a clear 'ask' of employers – for example to:

- Invest in and develop their workforce including by engaging with the National Skills Fund;
- Help to tackle unemployment by advertising vacancies through the FindaJob Service, recruiting unemployed people, offering work experience and training placements
- Offer Apprenticeships, Traineeships and Kickstart jobs to young people and/ or those out of work
- Sign up as a Disability Confident employer

<sup>12</sup> 'What happens after the clapping finishes?', Resolution Foundation, 19 April 2020. Available at: <a href="https://www.resolutionfoundation.org/publications/what-happens-after-the-clapping-finishes/">https://www.resolutionfoundation.org/publications/what-happens-after-the-clapping-finishes/</a> [accessed 11 January 2021]

<sup>13 &#</sup>x27;Social care funding gap: Our estimates of what it would cost to stabilise and improve adult social care in England', The Health Foundation, 20 October 2020. Available at: <a href="https://www.health.org.uk/news-and-comment/charts-and-infographics/REAL-social-care-funding-gap">https://www.health.org.uk/news-and-comment/charts-and-infographics/REAL-social-care-funding-gap</a> [accessed 11 January 2021]

<sup>&</sup>lt;sup>14</sup> Corlett, A., Leslie, J., Pacitti, C. and Smith, J. (2020) *Unhealthy finances: How to support the economy today and repair the public finances tomorrow*; Resolution Foundation

In return, the offer from government would be to:

- List that employer as supporting the workforce and the economic recovery;
- Provide account managed support with filling vacancies, via Jobcentre Plus and the Restart programme; and
- Invite the employer to engage locally with Jobcentre Plus, colleges and/ or training providers to help shape the skills and retraining offer

This sort of approach would build on the Get Britain Working campaign, which ran from 2010 to 2015 and encouraged employers to sign up to offer work experience, training, mentoring or enterprise support.

To help co-ordinate and oversee this effort, we have also called in the past for a 'Cobra' for jobs – to work together on designing, co-ordinating and mobilising this response, and convening a wide range of partners including government Departments and agencies, local government, sector bodies, trusts and foundations and key stakeholders. We believe that as we move into the recovery phase, now would be the right time to do this.

#### Contact

If you wish to discuss any aspects of this submission then please contact Tony Wilson, Institute Director, at tony.wilson@employment-studies.co.uk