



## The Week in Review

Monday 7 September 2020

*"Massive milestone"*



**Millions of children in England and Wales returned to school last week. For many, it was the first time in attendance since March, due to the disruption caused by the pandemic. Pupils started adjusting to life in a class or year group bubble, with a raft of precautionary measures in place, such as one-way entrance and exit systems, staggered start times and regular hand washing. The return of pupils was hailed as a "massive milestone" by Education Secretary Gavin Williamson, when he spoke in the Commons last week.**

Addressing the first Cabinet meeting since the summer break, Boris Johnson said there was likely to be more of *"this wretched COVID still to come"* but that he was *"absolutely confident"* that *"we are going to be able to deal with those outbreaks."* Discussing the crisis, he told MPs, "I know it's been tough. I've got to warn you, it's about to get tougher."

### **Kicking off a new Scheme**

On Wednesday, Chancellor Rishi Sunak launched a £2bn government Kickstart Scheme to create work placements for unemployed young people, to create high-quality, government-subsidised jobs across the UK. Employers can offer people aged 16-24, claiming Universal Credit, a six-month work placement which the government will fully fund, paying 100% of the age-relevant National Minimum Wage, National Insurance and pension contributions for 25 hours a week. Employers can top up the wage. The government will also pay employers

£1,500 to set up support and training for people on a Kickstart placement, as well as helping pay for uniforms and other set-up costs.

The Chancellor commented, *"The Scheme will open the door to a brighter future for a new generation and ensure the UK bounces back stronger as a country. Businesses of all sizes looking to create quality jobs for young people can apply and there is no cap on the number of places."*

Also on the jobs front last week, Amazon pledged the creation of a further 7,000 jobs across the UK. Meanwhile, Virgin Atlantic is set to cut a further 1,150 jobs after completing a £1.2bn rescue plan securing its future for 18 months and 1,650 roles are at risk at Costa Coffee.

On 1 September, the government further wound down its furlough scheme, with employers expected to pick up 10% of their employees' pay. The programme is due to end on October 31.

### **Local lockdown**

Due to a rise in virus cases, restrictions on visiting other households have been reintroduced in Glasgow and two neighbouring areas, affecting over 800,000 people. Nicola Sturgeon warned the transmission rate has increased over the past week, adding, *"It should be a wake-up call for all of us to stick to the guidelines and stop this virus spreading any further or any faster."*

Lockdown restrictions in parts of Greater Manchester were due to be eased, but will now remain, following *'a significant*

*change in the level of infection rates over the last few days'*, the government announced. Matt Hancock said the decision was made *"in collaboration with local leaders after reviewing the latest data"* which showed infection rates had more than trebled in Bolton and doubled in Trafford.

### **Wales applies quarantine restrictions**

Last Thursday, for the first time, Wales applied its own quarantine rules, for those travelling back from Portugal, French Polynesia and six Greek islands, applicable from 4am last Friday. Arrivals to Scotland from Portugal and French Polynesia had to self-isolate from 4am on Saturday. Portugal, Greece and French Polynesia are still on England and Northern Ireland's lists of travel corridors.

### **Tech sell-off**

Last Thursday a tech sell-off in Wall Street prompted some global market concerns. The NASDAQ Composite extended losses on Friday, but a late rush in certain tech equities pared back some of the losses. The FTSE 100 closed lower on Friday as the chance of Britain leaving the EU without a trade deal increased, with the two sides unable to agree on fishing rights and government subsidies for business. Ahead of further negotiations this week, Dominic Raab said the UK and EU are entering a *"moment of reckoning"* over a post-Brexit trade deal.

### **Here to help**

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.

***The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated.***