

The world economy is seeing the most difficult economic conditions for generations. All countries have been hit. The Government is taking action internationally, nationally and locally to protect Britain from the worst of the downturn, and investing for recovery so that we come through the recession sooner and stronger. There are four key steps in our action plan to deliver real help now and to fight back against the global economic slowdown.

Step 1
Protect savers

Step 2
Real Help Now

Step 3
Get lending going

Step 4
Investing for recovery

Step 1 Protecting savers and stabilising the banks

The Government acted to protect people's savings by preventing the collapse of the banking system. Similar action followed in countries around the world. The Government made a commercial investment in banks in return for shares which we will sell in the future to get our money back. For banks receiving our help there is a ban on cash bonuses to executives and a requirement to boost lending.

Step 2 Providing real help now and a shot in the arm for our economy

The Government is giving the economy a shot in the arm by providing real help for people and businesses, including:

- A cut in VAT that will benefit households by £275 on average this year, income tax cuts of £145 for every basic rate taxpayer and child tax credits increased by £75 above inflation from April
- Five key measures to help people stay in their homes and avoid repossession, including the £200 million Mortgage Rescue Scheme
- More help for people looking for work including £2,500 recruitment and training funding for employers giving work to someone jobless for more than six months from April
- Deferring business tax payments to protect jobs - over £1.6 billion tax has already been deferred by 93,000 firms employing tens of thousands of people

Step 3 Getting lending going again for mortgages and businesses

The Government has secured binding agreements with Lloyds Banking Group, Royal Bank of Scotland and Northern Rock to expand lending by hundreds of millions of pounds each week for new mortgages and business loans.

We have also authorised the Bank of England to use a new approach to ensure there is sufficient money flowing around the economy and to control inflation. Putting this extra money into the system (quantitative easing) will help prevent a damaging spiral of falling prices and support the economy and jobs.

Step 4 Investing for a strong recovery and fairer future

The Government's plan is to accelerate economic recovery by investing in key areas that will power our future prosperity.

- £3 billion of investment is being accelerated for new housing, schools, hospitals, transport and energy saving measures, that will create and protect jobs
- £140 million is available to fund 35,000 new apprenticeship places from April taking the total number of Government-funded apprenticeships to over a quarter of a million
- 400,000 new environmental sector jobs will be created over the next eight years which is predicted to employ 1.3 million people by 2017.

Help for homeowners

The *Support for Mortgage Interest Scheme* helps with mortgage payments if you lose your job and are claiming certain benefits for more than 13 weeks.

The *Homeowner Mortgage Support Scheme* will allow you to defer a portion of your mortgage interest payments for up to 2 years.

The *Mortgage Rescue Scheme* is designed to help people stay in their homes through shared ownership, or selling to a housing association and becoming a tenant.

Visit www.direct.gov.uk/mortgagehelp or contact your local council for full details.

New rules since Nov 2008 mean repossession should always be a last resort and lenders will look at all options to prevent it.

Help with jobs and benefits

If you are about to be made redundant you can get information and advice from your local **Jobcentre Plus**.

Jobcentre Plus also provides advice and help with finding a new job, training, or support if you can't work at the moment.

If you are unemployed for 6 months, Jobcentre Plus may offer you extra support, including help to set up a business, new training places, volunteering options, or an employer recruitment subsidy.

120,000 people have already been helped back into work. Around 75% of people out of work find a job within 6 months.

For information visit www.jobcentreplus.gov.uk

To find out which benefits you may be eligible for, call 0800 0 55 66 88 or visit www.direct.gov.uk/benefitsadviser

Help with skills and training

You can get independent advice about skills, job possibilities, and training options. You may also be able to get a grant, loan, help with childcare costs or other financial help.

Visit www.direct.gov.uk/learning or call the **Careers Advice Service** on 0800 100 900

Apprenticeships are open to younger and older workers and you can apply whether or not you are already in employment. Visit www.apprenticeships.org.uk or call 0800 015 0600 for details.

Help with finances

If you have children or have a low income, you may qualify for Tax Credits. Call the **Tax Credits Helpline** on 0845 300 3900 or visit www.direct.gov.uk/taxcredits

From April 2009 there will be a £75 above inflation increase in the child element of the Child Tax Credit, taking it to £2,235 a year.

Help for pensioners

People aged 60 or over may be entitled to **Pension Credit**. To claim Pension Credit, call 0800 99 1234 or textphone 0900 169 0133.

From April 2009 Pension Credit will guarantee a single person over 60 an income of at least £130 a week and the basic State Pension will rise by 5 per cent.

Help with fuel bills

New support means that households can save money on fuel bills. People aged over 70 and low-income households may also be eligible for free energy-saving home improvements, such as insulation.

For more information contact the **ACT ON CO2** advice line on 0800 512 012 or visit www.direct.gov.uk/actonCO2

Who else can help?

For advice on managing debt, visit www.direct.gov.uk/debtadvice, call the **National Debtline** on 0808 808 4000 or contact your local Citizens Advice Bureau.

The Government has increased funding for the National Debtline until 2011 so it will be able to help an extra 70,000 people with their debt problems.

More time to pay your tax bill

You may be able to defer tax, National Insurance, VAT, PAYE or other payments to help you overcome temporary difficulties. Contact the HMRC **Business Payment Support Service** on 0845 302 1435.

93,000 businesses have benefited by deferring over £1.6 billion in taxes since this scheme was launched in November.

Help with securing finance

The Government has secured extra lending for businesses applying for loans from banks. The *Working Capital Scheme* will provide up to £20 billion of funding for loans on top of £4 billion which has been secured with the European Investment Bank.

You may benefit from the Government's *Enterprise Finance Guarantee* if you apply for a loan from your bank. It supports loans of up to £1 million for firms with turnover up to £25 million.

Over £45 million has already been offered to firms applying for loans under the Enterprise Finance Guarantee.

The *Capital for Enterprise Fund* provides equity investment which you can use to pay off existing debt or invest in your business. To register call 0845 459 9780.

To find the right finance for your business, including details of loans available regionally visit www.businesslink.gov.uk/realhelp or speak to an adviser on 0845 600 9 006.

Recruitment and redundancy

From April 2009 you could get an incentive of up to £1,000 to recruit a person who has been unemployed for over 6 months, and access to in-work training for them, worth up to £1,500. Contact your local **Jobcentre Plus** for details or visit www.jobcentreplus.gov.uk/employers

If you have to make people redundant, Jobcentre Plus also helps people at risk of

losing their job to start looking for a new one, even before they are made redundant.

An interactive guide to help you find alternatives to making redundancies, plus guidance on staff restructuring is available at www.businesslink.gov.uk/realhelp.

Funding and support for training

Train to Gain provides free skills advice and government funding for retraining staff for small and medium-sized firms. Call 0800 01 555 45 to speak to an adviser or visit www.businesslink.gov.uk/realhelp

Over £750 million support is available for businesses through Train to Gain in 2009-10.

Apprenticeships

Businesses can get full or partial financial support for training apprentices up to the equivalent of A level. Call 0800 015 0600 or visit the **Apprenticeships Service** www.apprenticeships.org.uk/employers.aspx

35,000 new apprenticeships are being funded in 2009-10 which takes the total to over a quarter of a million.

Managing your business

For a free *Business Healthcheck* including hands-on advice and help to access the full range of government help, call **Business Link** on 0845 600 9 006 or visit www.businesslink.gov.uk/healthcheck

Help with exporting

UK Trade & Investment (UKTI) advisers can help you access contacts, navigate local business regulations and raise your company profile in overseas markets. Call 020 7215 8000 or visit www.uktradeinvest.gov.uk.

Who else can help?

For free, confidential and independent help to deal with business debt problems, call the **Business Debtline** on 0800 197 6026.