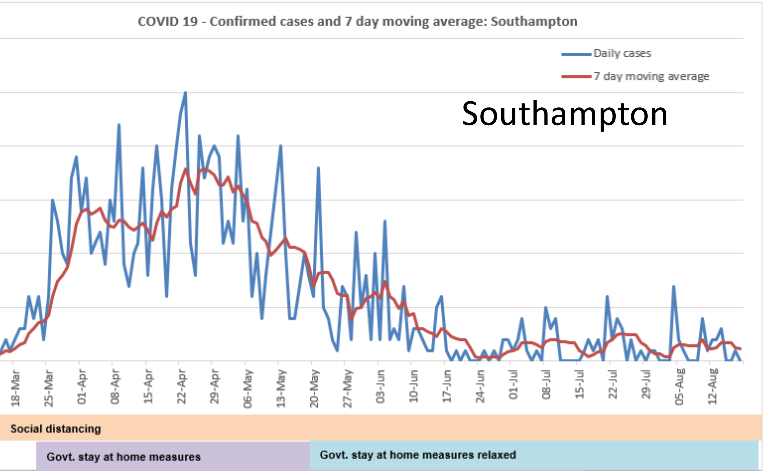
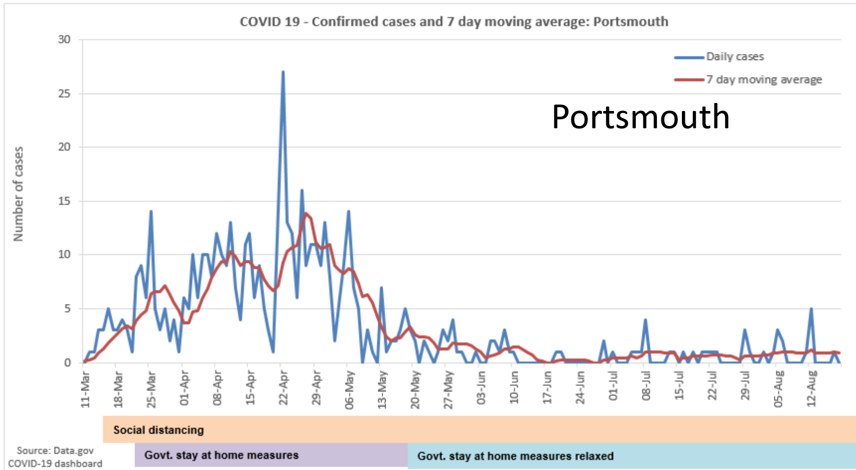
HIOW Recovery Picture

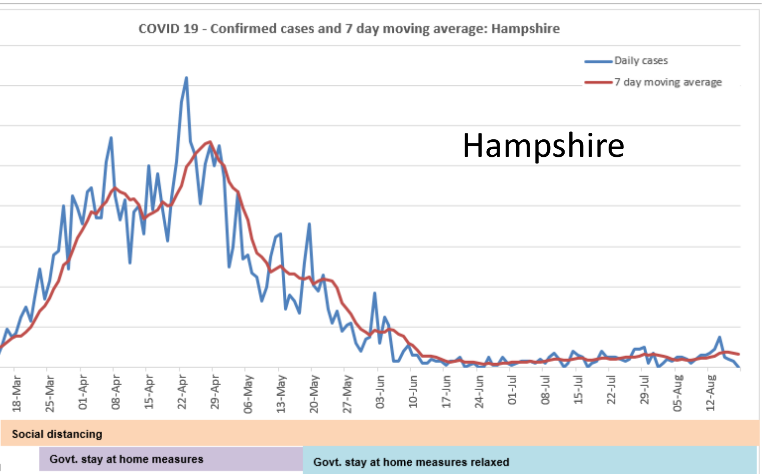
Modelling Update, Policy Analysis
& Recovery Timeline

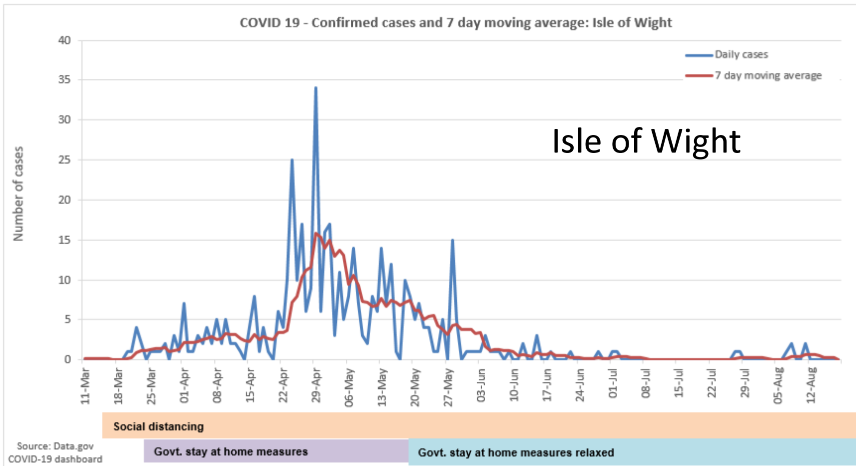
BEST ESTIMATES AS OF 26 AUGUST 2020

1.3 Infections – spark lines for HIOW UTLAs









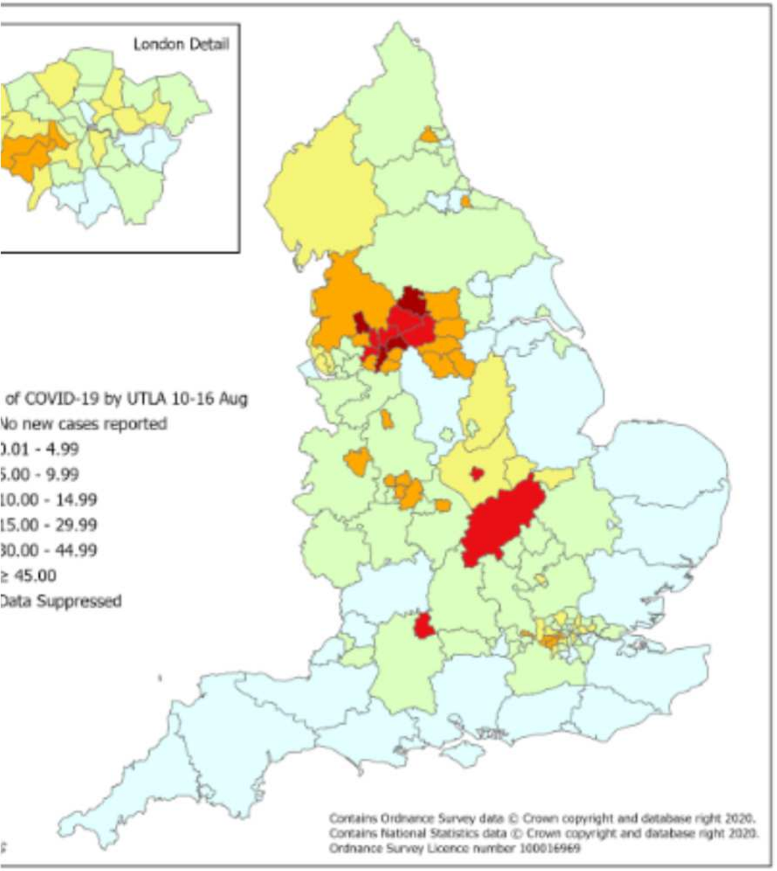
Growth rate in South East:
-4% - 0%
Estimated Rt for South East:
0.8 – 1.0

All 4 HIOW authorities remai low in terms of new cases: **70 new cases in last 7 days acros HIOW** (23.08.20)

The early warning dashboard (29/08/20) shows**:**

- ✓ Low numbers of new infections and hospital admissions
- ✓ Community-based respiratory indicators, NH Pathways and GP activity overall decreased or remained stable

1.4 Weekly rates of Covid-19 cases



kly rate of COVID-19 cases per 100,000 population tested under
1 and 2, by upper-tier local authority, England
shows enlarged maps of London area).

d on week 33 (data between 10 and 16 August 2020).

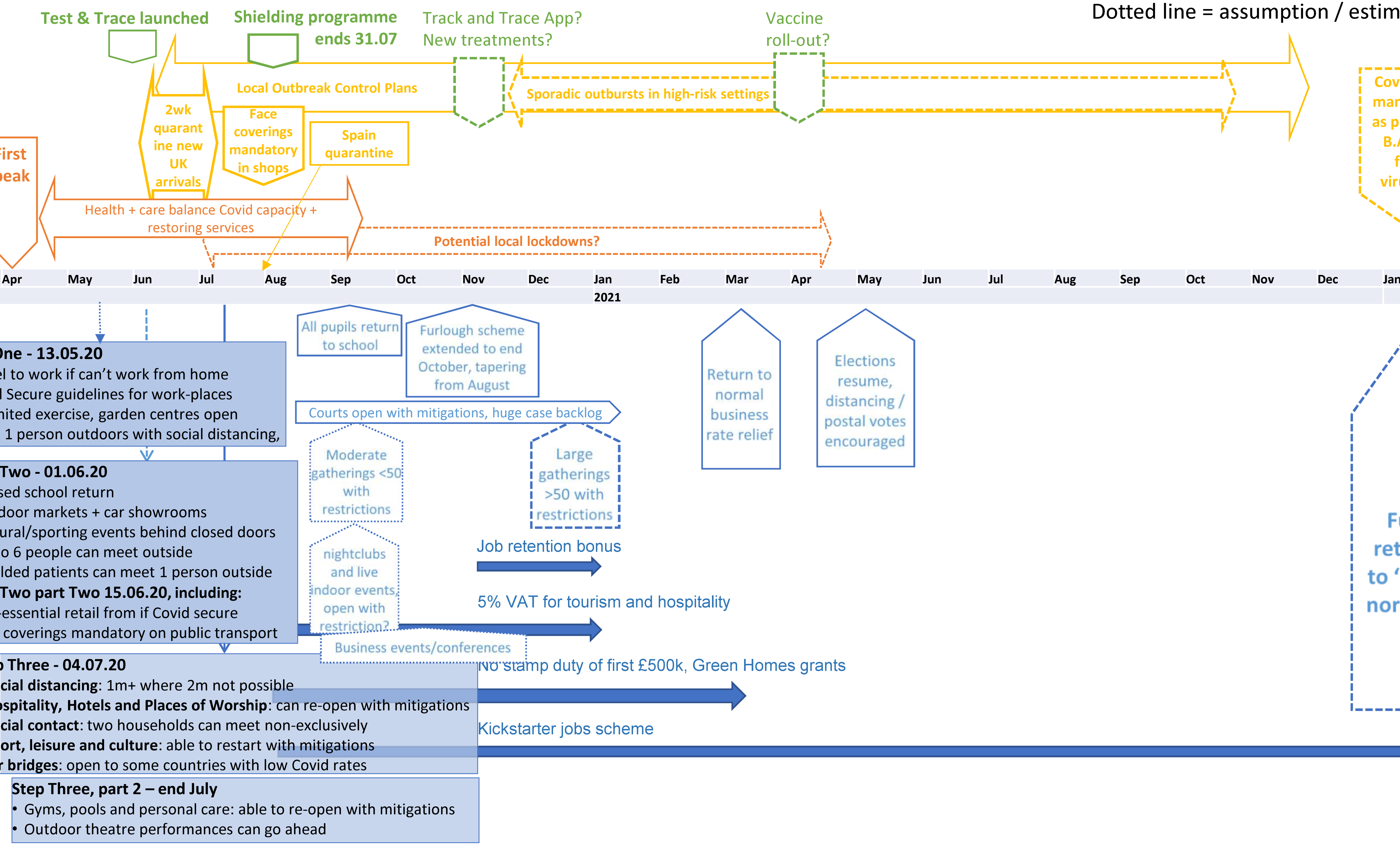
UTLA name	Rate per 100,000 last 7 days
Isle of Wight	1.4
Portsmouth	**2.8**
Hampshire	3.7
Southampton	4.8
Swindon	42.3
Leicester	44.8
Blackburn	75.9
Oldham	83.2
South East	**5.4**
England	**12.2**

Weekly rate of COVID-19 cases per 100,000 population tested under Pillar 1 and 2, by UTLA, England, week 33 10 Aug – 16 Aug

National reports available weekly at:
https://www.gov.uk/government/publications/national-covid-19-surveillance-reports

IOW Recovery Timeline – updated 29.07.20

Solid line = known
Dotted line = assumption / estim



National Recovery picture (England)

1. Near-completion of exit from national lockdown
2. Bumps in road: quarantine, A Levels, intra-UK differences
3. GDP starting to bounce back
4. Return to school marks a critical new phase
5. Exhortation to return to the office
6. Furlough/Eat Out schemes winding down
7. Organisational reform: PHE, Devolution White Paper
8. Wave 2/Brexit planning
9. Local outbreak management/no return to national lockdown
10. Where does it leave us?

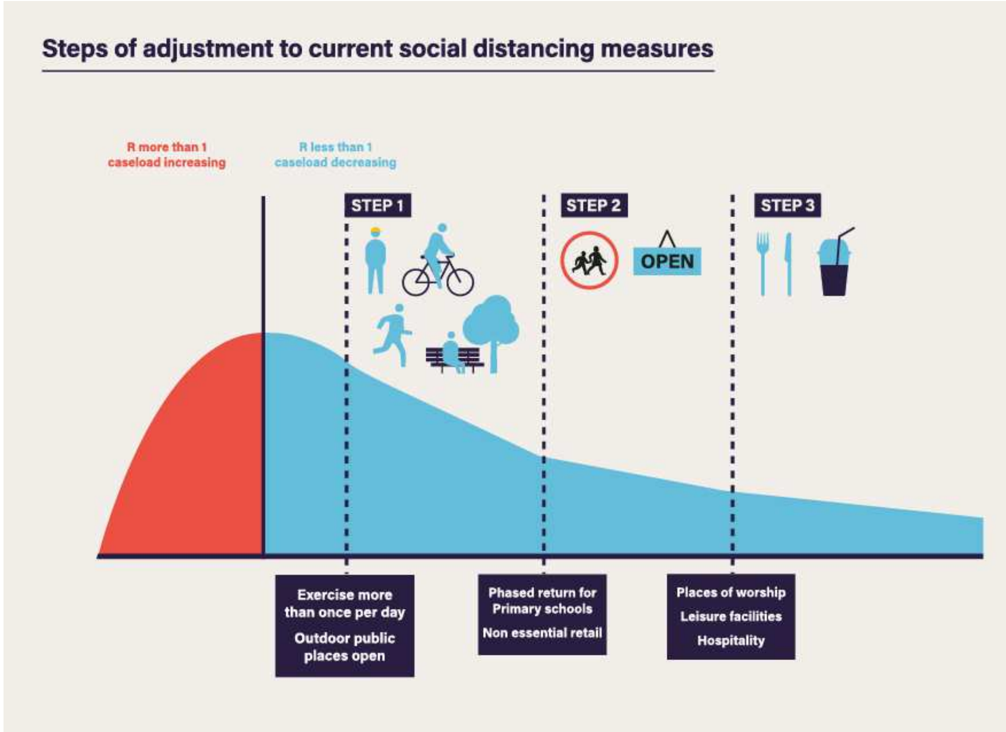
1. National lockdown: planned

Our plan to rebuild: The UK Government's COVID-19 recovery strategy' initially laid in arliament 11 May 2020

- Step 1 (13 May) – easing of measures for outdoor exercise
- Step 2 (1 June) – reopening of non essential retail
- Step 3 (4 July) – reopening of hospitality

'Next chapter' presented to Parliament July 2020

- 1 August (delayed to 15 August) – reopening of leisure settings and enabling close contact services to resume
- 1 August – End of shielding
- 1 September – full time return to schools, nurseries and colleges for all children. Schools in Leicestershire returned on Weds 26 August.
- 1 October – bring back audiences in stadiums, and allow conferences and other business events



1. National lockdown: now

- Roadmap substantially complete
- Night clubs/similar still closed
- Still no gatherings over 30
- Still only two households indoors
- Step-by-step return for sport, theatre, leisure etc
- Local lockdowns, varying in scope and duration

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1. National lockdown: endgame

"If prevalence remains around or below current levels into the autumn, we will bring back audiences in stadia, and allow conferences and other business events to recommence in a COVID-19 Secure way, from 1 October. This step will only take place once we have a reliable scientific understanding of the impact of reopening schools on the epidemic.

If prevalence falls very significantly, we will review the necessity for the outstanding measures and allow a more significant return to normality. This would start with removing the need to distance people, while retaining limited mitigations like face coverings and plastic screens in shops. Our ambition is that this may be possible by November at the earliest, however this would be contingent on a number of factors, including consideration of the specific challenges as we move into winter, as described above."

(Published in July)

HM Government

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2. Bumps in the road

- Quarantine list changed at short notice: France, Croatia…
- Exam results policy change
- Different choices in Scotland, Wales, NI eg face coverings in secondary school
- Widespread disruption and confusion – but no good options
- “Led by the science/data/algorithm” not always enough

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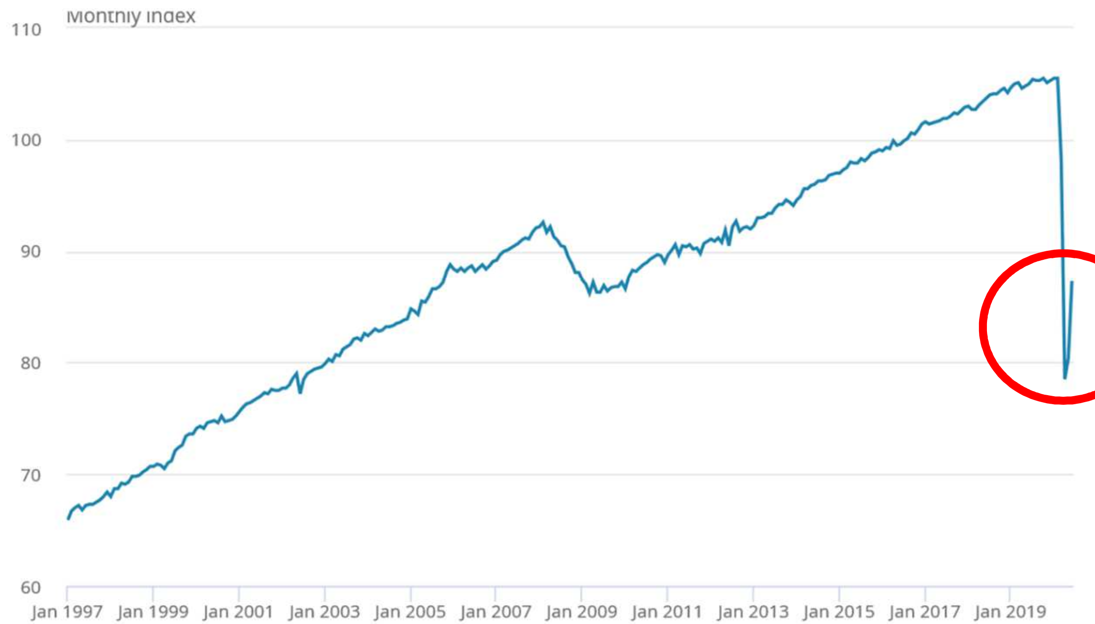
3. GDP ticking up again

- GDP growth:
  - -20% in April
  - +2.4% in June
  - +8.7% in June (9.2% in HIOW)
- Still 17% below February
- …but HIOW retail sales in July were 3% higher than February

Figure 2: GDP grew by 8.7% in June 2020, but is still well below the levels seen in February 2020

Monthly index, January 1997 until June 2020



Source: Office for National Statistics – GDP monthly estimate

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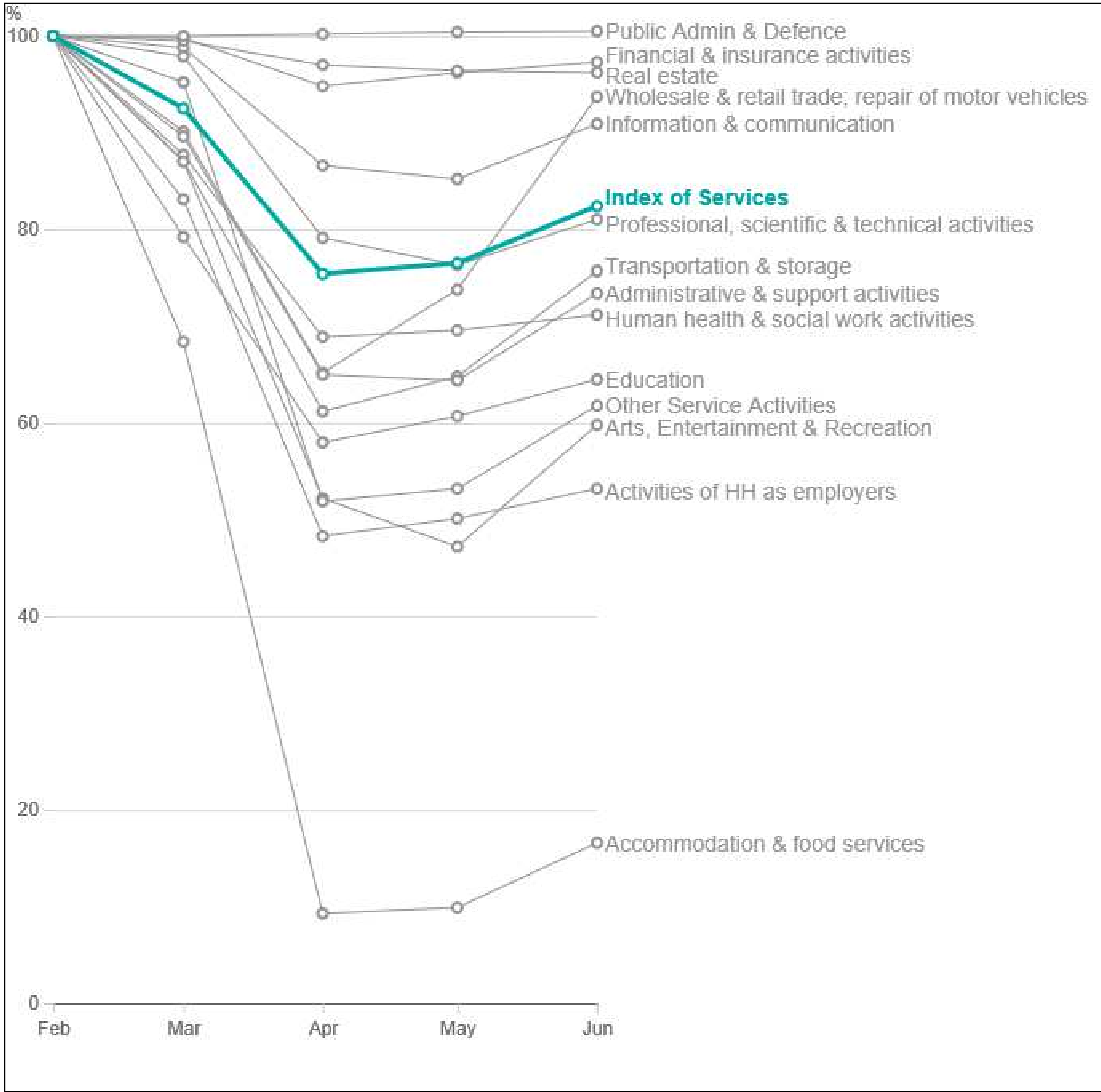
3. Uneven impact across economy



4. Return to school

- The biggest test yet?
- Strongly supported by the Chief Medical Officer
- Impact:
  - Children's education and health
  - Particularly those going into Years 11 and 13
  - Teachers' safety
  - Working parents' ability to return to the office
  - Traffic and transport
- Failure will not be an option

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5. Return to the office

- Visible impact on city centres as many people continue to work from home
- Unintended by-product of “work from home” and “avoid public transport” edicts
- Exhortation rather than legislation
- Home working is quite popular and employers can’t won’t enforce a return…potential Covid legacy?
- Opportunity for local action?

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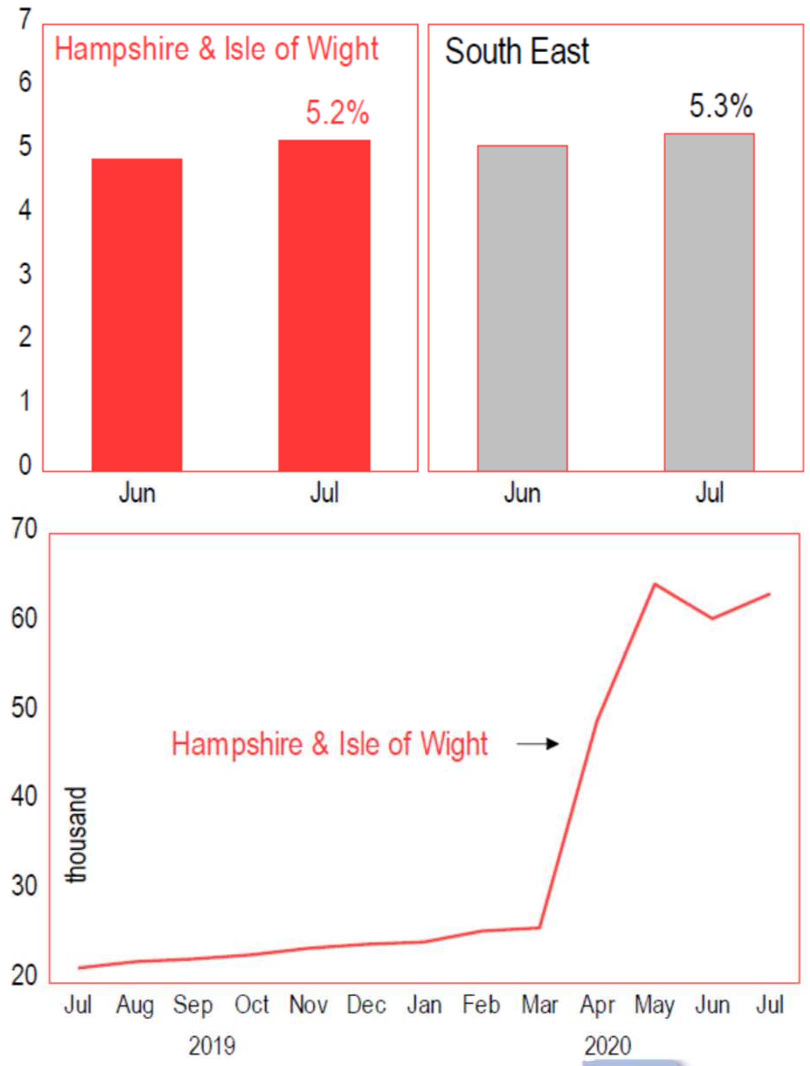
6. End of furlough etc.

- Job protection schemes end on 31 Oct
  - Govt will cover only 60% in October
- ~10m jobs claimed across UK as at 16/8
  - 5-6m still on furlough
  - 350,000 in HIOW (37% of total)
  - National cost £35.4bn
- Chancellor has said no extension
  - Potential for limited extension of furlough for certain sectors?
- OBR 2020 unemployment forecast: 8.8%
  - Rising to 10.1% in 2021
- Eat Out scheme: 35m meals as at 20/8
  - National cost £180m (~£5 per meal)

Claimant Unemployment



HIOW LRF Business and Economy Working Group

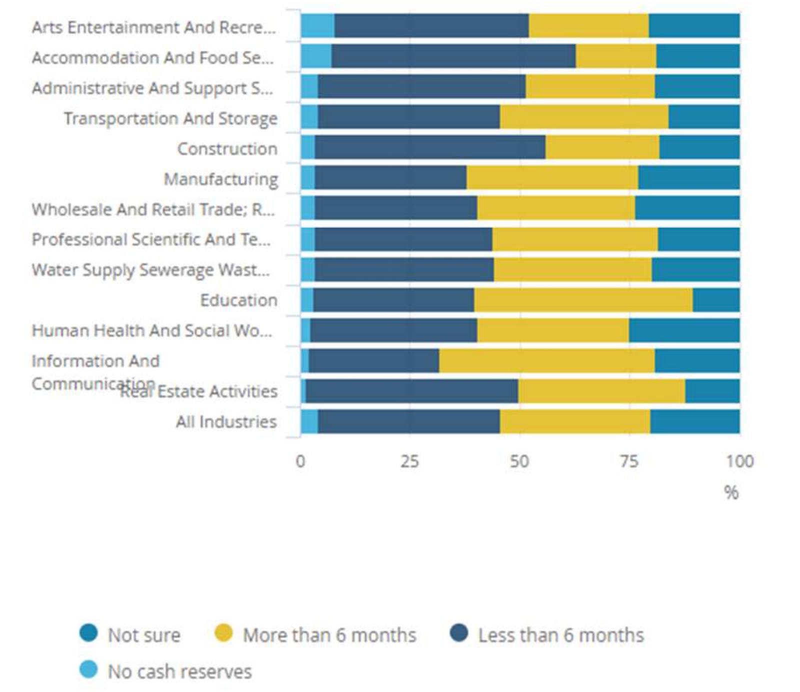
6. End of furlough: what next

What next for the economy?

- Building resilience (winter, local lockdowns, Brexit)
- Potential displacement of jobs and businesses
- Skills gaps as people are displaced across industries
- Responding to the ‘new’ consumer
    - Latte to the home?

Figure 11: The accommodation and food service activities sector had the highest percentage of businesses reporting they had no or less than six months’ cash reserves at 63%

Cash reserves, businesses that have not permanently stopped trading, broken down by industry, UK, 13 to 26 July 2020



ONS

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6. End of furlough: new consumers?

McKinsey US

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7. Organisational reform

- Government's recovery strategy confirms a "rapid re-engineering of government structures and institutions"
- Public Health England to merge into the National Institute for Health Protection
- Devolution White Paper in the autumn, likely to promote elected mayors and reorganisation of county/district councils
- Devolution package to include elements of pandemic response?
- The wrong time…or the perfect time?

Daily Mail

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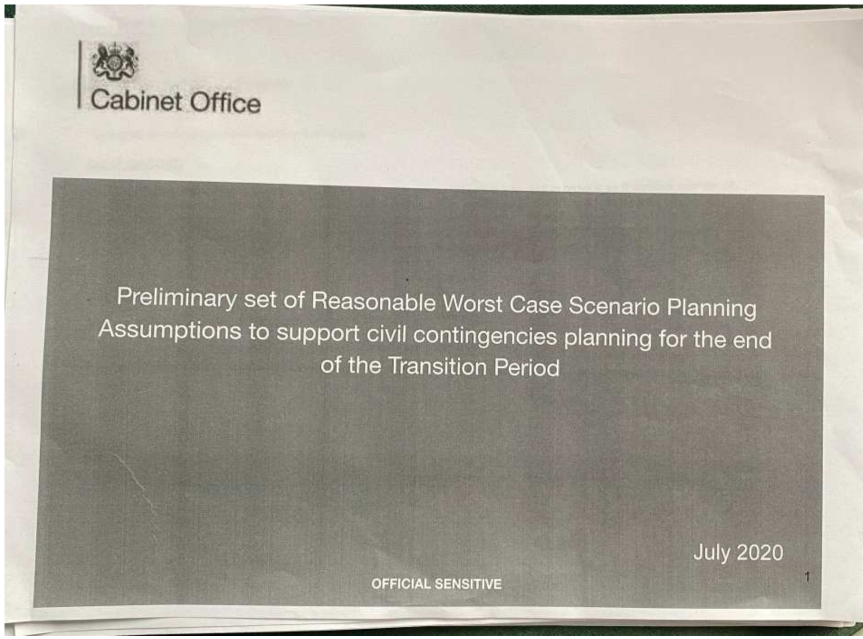
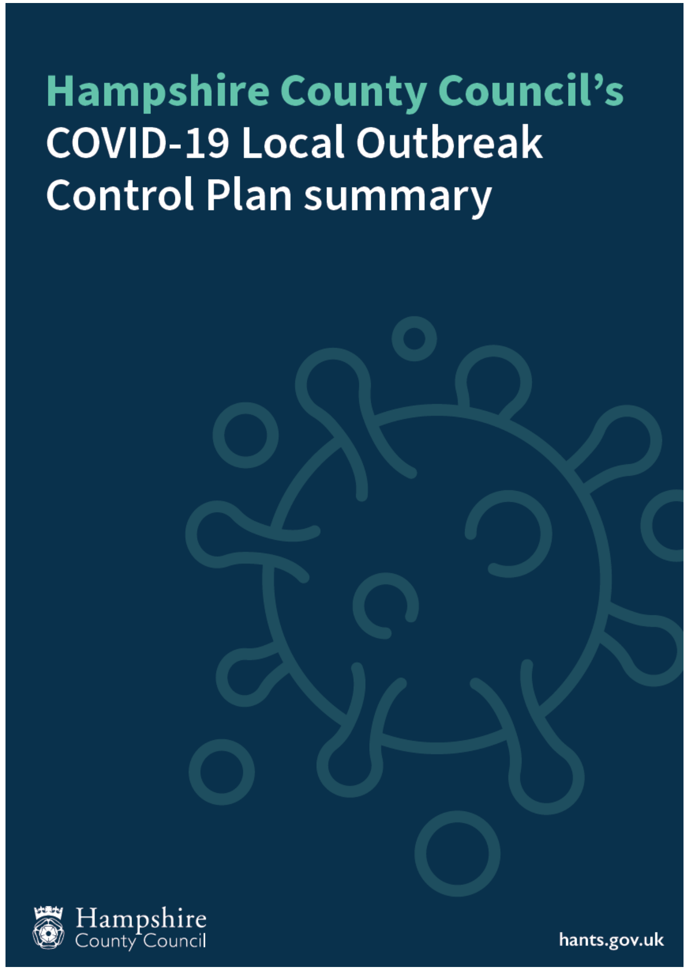
8. Wave 2/Brexit planning

- Timing of Wave 2, no-deal Brexit and annual flu pressures could all coincide
- UK/EU trade deal talks not progressing well; transition period ends 31 December
- Leaked document reveals reasonable worst case scenario:
    - Restrictions on trade in a no deal scenario alongside Covid-19, flu and floods could overwhelm NHS
    - Significant traffic queues at Dover and 45% reduction in cross-channel flow
    - Shortages of petrol, potential water rationing and power cuts
    - Shortages of food and medicine because of blocked channel crossings, leading to outbreak of animal diseases
    - Likely coordinated industrial action
    - Public disorder
    - One in 20 councils could become bankrupt, impacting social care



9. Local outbreak management

- Crystal clear strategy: no return to national lockdown, outbreaks to be managed locally
  - Leicester and Aberdeen now being eased out of lockdown
  - Others eg Birmingham at risk
- Contact tracing returned to councils
- Further powers being considered to allow wider powers to impose restrictions on leaving home, overnight stays, gatherings, travel and businesses
- Likely to carry on around the country for the life of the pandemic



10. Where does it leave us in HIOW?

Some thoughts…

1. Responsible for local outbreak management
2. Supporting return to school
3. Some scope to influence local economic recovery, return to offices, transport, high street
4. Critical to continue to work together on Wave 2/Brexit while navigating organisational reform
5. Community leadership and support during a difficult/uncertain time