Covid-19 Response: PM Meeting, Sunday 15 March 5pm

Readout

For a meeting at 5pm on 15 March, the PM commissioned advice on further options in response to Covid-19, including:

- Social distancing (DHSC)
- Mass gatherings (DCMS)
- Vulnerable groups/ shielding (DHSC)
- Schools (DfE)
- Non-typical household settings (DHSC, DfE, MOJ)

It was agreed that a package of announcements would be put to COBR on Monday 16 March, for announcement at a press conference afterwards. These decisions were as follows:

1. To announce and launch the **household stay at home** policy from Monday 16 March;
2. To announce a package of **'soft' social distancing advice for the general public**. Of the options set out in the DHSC paper this would include:
    a. Advising against social mixing in the community (eg at the cinema, theatre, pubs, restaurants, clubs);
    b. Advising against receiving friends and family in the house;
    c. Remote access to NHS and other essential services;
    d. Advising varying of daily commute - less public transport;
    e. Advising working from home.
3. To communicate to **more vulnerable groups** (e.g. 70+, pregnant women and those with specific health conditions) that these social distancing measures should be followed more rigorously.
4. That 'shielding' for the c.1.4 million individuals with serious health conditions (ie the most vulnerable) would commence within one week. These individuals would be contacted by their GP or specialist within a week, and those who had not been contacted in this period should reach out to their GP. The proposed support package that would accompany this measure would be put to Ministers on Wednesday 18 March.
5. That, given the measures outlined above, it would be advised (but not mandated) that mass gatherings should not take place. It was agreed that public services support would not be provided to any mass gatherings and this would be announced. A decision was not taken on providing compensation as a result of this announcement.

Summary of papers to PM

Household isolation

The proposal discussed at COBR on 12 March was for household isolation of asymptomatic individuals for 14 days from the day a member of the household becomes symptomatic.
If a member of the household becomes symptomatic during this period, they should follow the existing self-isolation policy to stay at home for 7 days from onset of symptoms.
The current evidence is that household isolation:

a. could deliver a 2-3 week delay in the peak
b. could reduce peak incidence by as much as 25%
c. and could have a modest but worthwhile impact on reducing cases and deaths.

Risks of this approach include increasing the likelihood of transmission within the household, particularly problematic for households with vulnerable people. There are also challenges in communicating the advice to the public clearly.

Atypical settings

There are atypical settings that will need more specific consideration, guidance and mitigations. These include, but are not limited to:

1. **Care homes:** DH have published advised and are considering further options. Recommend care homes close to all visitors until the care home is symptom-free; or maintain current policy of isolating symptomatic residents in their rooms.
2. **Custodial settings and Approved Premises:** Isolation measures can be applied and enforced effectively in most custodial environments. However, this may pose a risk to order and staff safety. MOJ are considering options to increase family contact by telephone and bolster workforce and incidence response support.

Shielding/ Social Distancing

This intervention could reduce deaths by 15 - 35% in those at greatest risk of serious COVID-19 disease who are vulnerable due to age, underlying health conditions or pregnancy.

Social distancing for 13-16 weeks (and possibly longer) would apply for two groups:

3. **General vulnerable**.
    a. This group includes: aged 70 or older (regardless of medical conditions); under 70 with defined long-term medical conditions (based on flu risk); pregnant women at any stage of pregnancy.
    b. These individuals will not be contacted proactively.
    c. Total group size for the UK is estimated at 18 million (9.2 million aged 70+; 8 million aged under 70 with chronic conditions and approximately 0.76 million pregnant women).

2. **High risk vulnerable**
    a. defined by those with clinical conditions or receiving treatment with heightened infection risks, e.g. immune deficiency disease; people receiving immunosuppressant medication.
    b. These individuals will be contacted proactively by personal letter from the NHS with advice on what they should do and why. Public health advice is strict: Self isolate at home and minimise all contacts.
    c. Total group size for the UK is estimated at 1.4 million

Social Distancing

Other social distancing measures include a broad range of limitations on social and leisure activities including travel, exercise, shopping, restaurants etc; or changes associated with work such as using technology for more working from home, and fewer face to face meetings. This could range from softer measures around handshaking to 'full lockdown' of regions.

The most effective measures identified include:

1. Advising against social mixing in the community (e.g. at the cinema, theatre pubs, restaurants, clubs. This is in accordance with CMO advice that small gatherings are responsible for 10-20% of contacts.
2. Advising against receiving friends and family in the house
3. Advising working from home
4. Locking down areas with outbreaks or NHS pressures, e.g. London

School closures

Universal school closure would affect almost 9 million pupils. Any education they do receive would typically be limited. c.1.3 million of the very poorest children would not receive a free school meal. Exams could not go ahead if all schools closed and remained closed during the exam period (which runs between 11 May and 24 June).

HMT Position

Case isolation, household isolation, vulnerable groups and school closures

1. Our modelling maps DH/SAGE workforce assumptions on the direct impact of absences from the workforce for those who become unwell to give a partial GDP reduction relative to trend. It does not capture additional demand effects or supply chain disruptions, and so is not a total GDP effect. These are highly uncertain but likely to be substantial.

NB – BASED ON DH/SAGE DATA AS OF 9-11 MARCH	**Case isolation (7 days)**	**Case isolation (14 days)**	**Household quarantine with case isolation (14 days)**	**School closures[1]**	**Household quarantine with case isolation and social distancing of vulnerable groups**
Key Assumptions	Symptomatic individuals absent for 7 days. (92% compliance).	Symptomatic individuals absent for 14 days (92% compliance).	Following a symptomatic case, all other household members withdraw to the home for 14 days	Schools close nationally for 13 weeks. Assume 1 carer per child.	Following a symptomatic case, all other household members withdraw to the home for 14 days. 14 days does not restart if someone else in household becomes unwell.
Total person days absent	155.7m	311.4m	309.6m	555.1m	299.9m
Number of persons off in peak week	3.4m	6.8m	5.5m	9.5m	5.2m
Peak persons as % of UK workforce (32.8m in 2019)	10.3%	20.7%	16.8%	29.1%	15.9%
Annual GDP hit from trend – from labour supply hit only (demand hits would be additional)	-2%	-3.75%	-3.75%	-6.5%	-3.5%

2. As you know, these figures do not include demand effects, which are highly uncertain but likely to be substantial, from negative impacts on household income and disruption to consumption and confidence. The larger measures above are likely to have significantly greater impacts on household income and confidence, and therefore greater impacts on demand.

[1] Based on DfE data, 16.5% of pupils in England attend schools in inner or outer London.

Mass Gatherings, sector closures or lock downs

3. The table below sets out different sectors' gross value added (GVA), the measure of the value of goods and services produced in an area or industry, and therefore the best proxy of the hit to sectors and regions. This is designed to illustratively give a sense of the impact of closing potentially affected sectors. **This only considers some of the sectors that are likely to be affected – there will be a range of other sectors directly and indirectly affected,** such as transport, and personal service activities.

Table 1: GVA of specific sectors, UK-wide

Sector	GVA in 2018[2]
Total accommodation and food services	**£53bn**
o/w Accommodation	*£15.4bn*
o/w Food and beverage services	*£37.8bn*
Total arts, entertainment, recreation	**£30.7bn**
o/w Creative, arts, and entertainment activities	*£7.0bn*
o/w Libraries, archives, museums and other cultural	*£2.3bn*
o/w Sports, amusement, and recreation activities	*£12.7bn*
Total wholesale and retail trade	**£202bn**
o/w Total retail trade	*£99.5bn*

Table 2: GVA of specific sectors, London-only. In 2018, London accounted for around 23% of UK economic activity, and 17% of UK employment.

Sector	GVA in 2018[3]
Total accommodation and food services	**£12.7bn**
o/w Accommodation	*£3.6bn*
o/w Food and beverage services	*£9.1bn*
Total arts, entertainment, recreation	**£9.2bn**
o/w Creative, arts, and entertainment activities	*£4.5bn*

[2] ONS data, current prices
[3] ONS data, current prices

hospitality sectors – e.g. in transport and storage, only 10% have worked from home at some point.

7. Demand side – where there could be a range of effects. In the short-term, there is likely to be a significant hit to the demand side of the economy, with a reduction in consumer spending, although some of this may be offset through a change in the pattern of expenditure (e.g. to more online shopping).

8. Over time, these effects should unwind, however:
    a. They will unwind as the government policy unwinds and/or confidence returns, rather than as an individual recovers from the virus and returns to work. So the period for which an individual themselves has the virus may be only a very small factor.
    b. Some consumption may be lost with particular sectoral effects – some economists have written about 'social consumption' (e.g. eating out) which they argue households do not compensate for – i.e. if you usually eat out once a week but have quarantined for two weeks, you may not go out twice a week for two weeks to compensate. At an aggregate level, this may be offset by a changing pattern of expenditure – such as eating out somewhere more expensive, or buying household items that would otherwise not have been bought.

Social distancing measures, such as advising against social mixing (pubs, cinema, theatre); advising against receiving friends/family in the house; working from home

9. These measures may have a range of impacts on behaviours, including potentially significant confidence effect, regardless of whether any specific individual is captured by the measure.

10. Softer options such as advising against handshaking or advising to stagger daily commuting times are likely to have lower impacts, relative to other measures.

11. Advising working from home may have significant impacts. BEIS data suggests that only a few sectors are likely to be able to do this (e.g. in information and communication, 50% have worked from home at some point). But the bigger impact will be if this prompts other businesses to effectively close down. BEIS's middle category includes education, medical health, and construction (where