

OFFICIAL-SENSITIVE

THIS PAPER IS FOR DECISION

SC(21)02

RESTRICTED HANDLING

SCOTTISH CABINET

COVID-19: ADDITIONAL EMERGENCY MEASURES IN LEVEL 4

PAPER BY THE DEPUTY FIRST MINISTER AND
CABINET SECRETARY FOR EDUCATION AND SKILLS**Purpose**

1. Cabinet is invited to consider this paper and its annexes to inform discussion and decisions on immediate emergency measures to strengthen Level 4, in response to spread of the new variant strain of the virus.

Timing

2. This paper will be considered at Cabinet on Monday 4 January, prior to announcement of decisions later that day.

Background

3. On 19 December an emergency Cabinet meeting decided, in response to emerging evidence on transmissibility and spread of the new variant strain of the virus, to move all of mainland Scotland to protection Level 4 from 26 December as a preventative response (*SC(20)49th Conclusions refers*).

4. Following further discussion at Cabinet on 22 December (*SC(20)50th Conclusions refers*), the First Minister told Parliament that the restrictions would be kept under very close review in the light of the data, evidence and modelling; and she warned that further measures might be needed. In particular, she said that we were considering whether the guidance to stay at home should be put into law. Options for further measures were developed on a contingency basis and advice was put to Ministers on these on 31 December.

5. In the light of further data on case numbers across Scotland over the past week and further emerging evidence on the new strain, Ministers met chief clinical advisors and lead policy officials in 'Gold Command' format on 2 January. At that meeting, the First Minister concluded that urgent further action would be required to curb and reverse the strong growth in transmission; that proposals should be put to Cabinet for collective discussion and decision-making on 4 January; and that the Presiding Officer should be asked to recall Parliament to consider them later that day.

16. The immediate **economic impact** of the restrictions is expected to be relatively limited, given that the additional restrictions are primarily focused on individuals and households: but there may be some indirect effects because of further reductions in footfall, and the continuing closure of schools will undoubtedly impact on the ability of parents and carers to work, whether from home or (for those who cannot work from home) at their place of employment; and where parents work in public services, there may also be a workforce impact on public service provision.

17. The economy remains in a very fragile state. Overall output is down 5.7 per cent from pre-pandemic levels, with some sectors hit particularly hard – accommodation and food services is down by 43.5 per cent. 200,000 workers are now on furlough – an additional 25,000 in accommodation and food service were furloughed in December, on top of 23,000 in retail between October and December. Business resilience is very low, with 28 per cent of businesses reporting either zero or less than three months' cash reserves and 15 per cent reporting severe to moderate risk of insolvency. Under OCEA's central scenario, the economy is not expected to recover to pre-pandemic levels until 2023, with significant downside risks of permanent loss of output and scarring. Unemployment is expected to rise significantly in the second quarter of 2021, again with major downside risks.

18. Overall, it should be acknowledged that the action proposed will have a potentially significant impact on the other three harms, although it can be expected to have some positive impacts on Harm 2 to the extent that it protects non-COVID NHS capacity; but it is concluded that the threat of the new variant strain justifies additional measures; and it is consistent with the Framework for Decision-Making and our expert advice to take preventative action on the precautionary principle, as recently reconfirmed by the judgement of Lord Erich in the Court of Session – not least because, all other things being equal, taking early action should mean that restrictions can be in place for a shorter period.

Engagement with local government

19. Given the speed with which it has been necessary to develop these measures, there has not been time for much engagement with local government, or with delivery partners, on the substance of the proposed measures: although officials have spoken in broad terms to COSLA, SOLACE and Police Scotland to warn them that changes are being considered.

Public opinion, compliance and enforcement

20. According to the most recent polling, which was before Christmas, overall trust in the Scottish Government and support for our approach remain high; as does self-reported compliance with restrictions, although a quarter of those polled continue to report low compliance and to say that they find it hard to stick to the guidance. Police Scotland continue to enforce the regulations governing the protective measures, with the latest data showing 1,389 COVID-19 interventions (including 1,174 compliance dispersals and 258 FPNs) issued in the seven days prior to 30 December. This included 597 travel restrictions interventions, with 121 FPNs issued.