



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

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Prime Minister
10 Downing Street
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FLEXIBILITY CONCERNING THE 2M RULE

In my letter of 3 June, I made the point that we need flexibility around the 2m rule to ensure the businesses we want to reopen are able to do so viably, and to boost capacity on the public transport network. This approach would align with that taken in at least 24 other countries, as well as guidance from the World Health Organisation and the European Centre for Disease Prevention and Control.

We need to provide clarity to businesses on whether and when we might decide to shift our position on this guideline. We should do this before publishing outstanding sectoral guidance on 13 June. There is a risk that businesses, which will struggle to be economically viable under 2m, may invest significant sums to adapt to this guideline only for the government to shift the policy to 1m. Other businesses, if they assume that the 2m guideline will remain in place, may not reopen at all.

I recommend that we announce our decision on changes to this guideline, and the timelines for coming into force, at the same time as we publish the remaining sector guidance on 13 June. The non-essential retail sector, which is due to open on the 15 June, will already have prepared to adapt to the 2m guidance. However, we should ensure that the remaining sectors which should open on 4 July, with the exception of a few specific high-risk



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businesses, are able to take advantage of a shift to 1m to ensure maximum economic benefit and before they invest to adapt their businesses to 2m.

Initial assessments on the economic implications of 2m on a number of closed sectors make clear that specific businesses will struggle to turn a profit under the current guideline. The business facing departments are developing this analysis further, including reviewing the impact on already open sectors. Industry groups have already made clear the impact on pubs and restaurants; for example, UK Hospitality have expressed concerns that 2m would only allow 30 per cent of normal revenue for the accommodation sector. This would render much of a sector that employs 420,000 people financially unviable. If we were to shift to 1m, up to 60 per cent of revenue could be restored.

The UK is fast becoming an outlier internationally. Countries such as Denmark and Norway have publicly moved from guidance of 2m to 1m. In particular in Norway, this was part of their plan to reopen the economy. As you aware, the advice from both the World Health Organisation and the European Centre for Disease Prevention and Control allow for 1m and there are at least 24 countries who provide for flexibility to go below 2m. This includes our European neighbours such as France, Germany, Italy, Netherlands, Belgium, Austria, Spain, Portugal, Denmark, Sweden, Finland, Czech Republic, Lithuania, and Bulgaria. Further still, Singapore, New Zealand, Australia, Taiwan, Hong Kong, South Korea and China also allow going below 2m.

We also risk losing out competitively if we fall behind countries, such as France, who are already opening up ahead of us with a 1m guidance in place. This would be particularly the case if the science from which we are basing our policy decision is the same. The Business Secretary has spoken to his counterparts in Germany and Denmark. The German Government adopted a federal 1.5m distance based on practical experience in some states which had adopted this lower level. They have found no difference in infection rate at 1.5m compared to 2m. The Danish Government also based its decision to



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reduce their distance on the experience of similar countries such as Norway who had already moved below 2m. The Danish Government considered that 1.5m would be confusing for their citizens so they adopted a lower 1m level (or an arm's length). The experience in Denmark has similarly been no uptick in infection rate.

The 2m distancing rule significantly reduces the effective capacity of the public transport network. Bus and train operators are working to ensure full service levels are in place by early July but even when full services are operating the capacity of the underground network, for example, is reduced to 13–15 per cent with a 2m rule in place. A move to 1m would increase this to up to 30 per cent. This combined with steps to promote cycling and walking would allow a greater level of economic activity in our major towns and cities.

The UK government should be ensuring the circumstances in which businesses reopen allow them a chance to be viable, both in terms of the health of the economy and the wellbeing of employees and consumers. While shifting to 1m would have a beneficial economic impact for most sectors, it will not be a silver bullet for some, such as theatres. It is vital that we give as much notice as possible to reopening sectors who will benefit from a shift. I recommend that we pursue a shift to 1m as soon as practically possible to ensure the viability of businesses as sectors begin to reopen.

This recommendation and concern is supported and shared by members of the Small Ministerial Group who have been meeting to drive forward the process of safely reopening closed sectors, including the Chancellor of the Duchy of Lancaster, the Secretary of State for Business, Energy and Industrial Strategy, the Secretary of State for Digital, Culture, Media and Sport, the Secretary of State for Transport and the Secretary of State for Housing, Communities and Local Government.



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