OFFICIAL SENSITIVE

- 4. These two announcements will increase pressure to clarify the Government's position on financial support for shielders. No10 and OGD officials are pushing us to set this out by the end of the month.
- 5. We should not rush to announce further support. Shielders can already access the existing sources of financial support. Moreover, it is difficult to design any new intervention in the absence of better data from MHCLG/DHSC on the characteristics of the shielding cohort, and clarity about the future size and scope of the shielding programme. We therefore recommend pushing DWP/ MHCLG/ DHSC to provide this information as a precursor to full options advice after the shielding review is complete. **Do you agree?**

Objectives

- 6. We would welcome steers on your objectives. You could stick to the status quo given that we have already strengthened the safety net. This position will come under considerable pressure given that the government is telling people to stay at home, and doing so would cause many to suffer prolonged and significant income losses. Any income support options will need to be considered in the context of other potential non-financial support mechanisms, such as the continuation of existing provision on food, medicine and care and the introduction of further provision in education, housing and additional health support. Nonetheless, we recommend that you consider further income support for this group, alongside non-financial support levers Do you agree?
- 7. In designing any further financial support intervention, there are a number of key principles:
 - a. Target Population: Although c.2.2m people are shielding, a DHSC survey suggests that only 29% (c.640,000) normally work. Of this group, 38% (c.245,000) are currently working from home, 49% (c.316,000) say they cannot work from home, and 13% (c.84,000) say they can work from home but have stopped working or are furloughed. It is these latter two groups (c.400,000 people) who are most exposed to income shocks as they are unable to work, unlike the pensioners or long-term sick supported via benefits/pensions (e.g. Pensioners, unlike other shielders, will have, as a minimum, income from their State Pension which was uprated by 3.9% this financial year). As a maximum, we recommend targeting any further support at the economically active group. Do you agree?
 - b. **Generosity:** There is a decision to make between seeking to replace a high proportion of lost income (as with CJRS and SEISS), or providing an enhanced safety net, with the more limited aim of preventing deprivation. Furloughing the 400,000 within the target group (assuming an average £1100 per month claim) would cost c.£430m per month, whilst SSP amounts to c.£160m per month. These costs could considerably increase if the shielded cohort increases at the end of May.
 - c. Households of shielders: c.74% of the current shielded cohort live with others. The current advice is that others in the household do not need to shield, provided they maintain social distancing in the home. We do not recommend providing additional support to those living with shielders if clinical guidelines are that whole