

News in Focus

Tuesday 16 June 2020

"We must stick to our roadmap"



In last Wednesday's Downing Street briefing, the Prime Minister confirmed that all five tests were still being met and further adjustments to the lockdown in England could proceed. He issued a reminder: *"We must do everything in our power to avoid a second peak of infection that overwhelms the NHS – because that would lead to more lives lost, more families in mourning, and more disruption to our economy and way of life"* he added: *"We must stick to our roadmap."*

For single adults in England and Northern Ireland, who are lonely and struggling with being unable to see friends and family, the concept of 'support bubbles' came into effect on 13 June. The relaxation does not apply to people who are shielding. Those in a support bubble will be able to act as if they live in the same household and do not need to stay 2 metres apart. The Prime Minister also announced that outdoor attractions in England, can reopen from 15 June and from the weekend, places of worship were able to open for individual prayer.

Reopening the high street

Non-essential shops in England are now able to reopen, which will help high streets to *"spring back to life"*, according to Business Secretary Alok Sharma. All retailers must adhere to safety guidelines and complete COVID-specific risk assessments. Failure to follow the guidance, could result in enforcement notices being issued. In

Northern Ireland, non-essential shops were able to reopen last Friday, while in Wales and Scotland, only essential shops are permitted to open. The Scottish Retail Consortium has called for the Scottish government to announce a reopening date for non-essential retailers.

School reopening u-turn in England

Education Secretary Gavin Williamson confirmed last Tuesday that not all primary school pupils will be able to return to the classroom before the end of term. He told the House of Commons that those schools with capacity to bring back more pupils should do so. Following the announcement, the Prime Minister pledged a 'catch-up' programme for pupils in England, with further details due to be outlined this week.

Scottish Education Secretary, John Swinney, is *"confident that pupils will return in a limited fashion"* from 11 August.

England's Test and Trace identified 31,000 contacts

During the first week of the Test and Trace system in England, over 31,000 close contacts of people who tested positive with the virus, were identified, 85% of whom were successfully contacted and asked to self-isolate for 14 days. Health Secretary Matt Hancock said it was the public's *"civic duty"* to follow instructions given by contact tracers. The system *"can, needs to and will get better"* according to Baroness Dido Harding, head of the NHS Test and Trace service in England.

UK economy could be the hardest hit of any developed country

Office for National Statistics (ONS) data shows the UK economy contracted by just over a fifth (20.4%) in April, the largest monthly contraction on record. This followed a recent outlook from the Organisation for Economic Co-operation and Development (OECD), which warned: *"The crisis will cast a long shadow over the world."* The data highlighted that the predominantly service-based nature of the economy in the UK makes it likely to be one of the hardest hit major economies. Focus now turns to see what fiscal measures the Bank of England may choose to announce next.

As concerns about a second wave of infection, particularly in the US, surfaced last Thursday, many global stock markets suffered their worst day since mid-March. Last Wednesday, Jerome Powell, Federal Reserve Chair, warned the pandemic could result in a prolonged economic downturn and Steven Mnuchin, US Treasury Secretary, said it is not viable to shut down the economy for the second time.

Keep Talking

In times of uncertainty, professional financial advice is essential, so please do get in touch with any enquiries or concerns you may have.