

News in Focus

Tuesday 2 June 2020

"As we enter this new phase, things will change"



On Friday, Chancellor Rishi Sunak took to the Downing Street podium to confirm that the Job Retention Scheme will finish at the end of October and to outline further details of how employers will have to start sharing furlough costs from August.

Sunak's message was positive: *"Over the coming weeks, we can now take careful but deliberate steps to reopen our economy. Across the country, office lights will be turned on and windows thrown open. Work clothes and school uniforms will be pulled out of the wardrobe. Shops and factories will start to hum with activity. As we enter this new phase, things will change."*

The Self-Employment Income Support Scheme is also to be extended, with applications opening in August for a second and final grant.

Lockdown easing across the nations

Boris Johnson led the daily briefing on Thursday and announced a further easing of lockdown measures, allowing groups of up to six people to meet outside from Monday 1 June in England. In Wales, two different households, with any number of people, are able to meet each other outside from Monday, but beauty spots remain closed. In Scotland, from last Friday, people from two different households, up to a maximum of eight people, could meet outside. In Northern Ireland, groups of up to six people who do not live together have been able to meet since 19 May.

Launch of NHS Test and Trace

In England, the NHS Test and Trace service went live on Thursday, with 25,000 contact tracing staff having the capacity to trace 10,000 contacts per day. Health Secretary, Matt Hancock, announced the service saying: *"As we move to the next stage of our fight against coronavirus, we will be able to replace national lockdowns with individual isolation and, if necessary, local action where there are outbreaks. This new system will help us keep this virus under control while carefully and safely lifting the lockdown nationally."* Northern Ireland already has its own version of the programme, Wales' scheme is due to start in early June and Scotland launched a new system called Test and Protect last Thursday.

Economic data disrupted

Last week, the International Monetary Fund (IMF) said the pandemic is affecting the production of economic data, making it difficult to understand the full scale of the impact on the global economy. The IMF stated in a blog post: *'Without reliable data, policymakers cannot assess how badly the pandemic is hurting people and the economy, nor can they properly monitor the recovery'*, adding that *'innovative data collection methods'* are needed to tackle the discrepancies in data and assess the extent of the crisis.

On Friday, there were concerns about the possibility of a rise in tensions between the US and China over recent actions in Hong Kong, but the White House press conference was less confrontational than

feared. Many global stock markets closed the month in positive territory.

Sport to restart

On Saturday, Culture and Sport Secretary, Oliver Dowden, informed us that competitive sport could begin to restart from 1 June. The first live sporting action in nearly three months can take place, provided it is staged behind closed doors and with strict safety regulations in place. Dowden said: *"Football, tennis, horse racing, Formula One, cricket, golf, rugby, snooker and others are all set to return to our screens shortly"* and added: *"We still have a way to go, but for a sporting-loving nation, today really is a significant milestone."*

Advice is key

We are here to guide you through these uncertain times. Financial advice is key, so please get in touch with any concerns or queries you may have.

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