



COVID-19

UK Political Analysis

By Tim Hames, Senior Adviser | 18th December 2020



Third Wave? Options for tightening policy short of a Lockdown III.

The latest set of announcements as to which regions and local government areas would fall into what category had a strong sense of the inevitable about them. With London and adjacent parts of Essex and Hertfordshire having been served with a pre-emptive hit earlier this week, the most probable result was that much more of South East England would also enter Tier Three and that it would be deemed too soon to move those parts of northern England which are currently in Tier Three down to Tier Two, despite falling cases there. The downward shifts that were set out (Bristol and North Somerset to Tier Two and Herefordshire moving in to Tier One) verged on the symbolic. As asserted in a FTI Political Analysis two weeks ago, those who expected more would be disappointed.

These details came alongside what had clearly been an uneasy debate within Whitehall and across the four component nations of the UK as to whether, at this comparatively late stage, the arrangements that had originally been announced for Christmas should be reconsidered. The uneasy compromise, for England at least, was that the liberalisation which had previously been set out should endure but that there should be an enhanced public information campaign to discourage households from making the most of their relative freedom during this time and, especially, to avoid intergenerational exposure if it involved the elderly and those known to be suffering any pre-existing medical conditions.

What to do about Christmas is, though, is part of a wider concern which is more intense than had been anticipated even two weeks ago. It is whether a Third Wave of the virus can be avoided and if it were to occur what the policy response required would then be.

EXECUTIVE SUMMARY

- There are signs of a serious increase in infection rates and hospital admissions, albeit with a strong regional bias, which exceed the levels that were expected at the time that the decision was made in late November to end the lockdown in England on time and move back to a strengthened system of regional tiers.
- This alone raises the serious possibility of a Third Wave of virus infections in the sense that the overall national reproduction number reaches then breaches one, or, even if on average it does not, some heavily populated areas pass that point.
- The extent to which the easing of the rules over Christmas contributes further to this risk is almost impossible to estimate but it has to be assumed that there may be some adverse impact even if it falls well short of recent drastic predictions.
- The vaccination drive will ultimately be of very considerable assistance but the time required to contact those who are of the highest priority, administer the vaccine twice and then wait a further week before immunity should register is such that January and February could still witness rising numbers of infections.
- There are an array of options for tightening policy in response to the signal that the reproduction number is about to escalate that fall short of a third lockdown in England but they will involve difficult choices with sectoral consequences.
- While mass testing will be deployed in an attempt to minimise the level of extra restrictions imposed, how much of a solution this will prove remains uncertain.
- Ministers in England may find that it is impossible to continue with a “business as usual” approach to schools, particularly secondary schools, with the result that the examinations still planned for this summer may have to be abandoned. This would represent a very serious reversal in terms of declared government policy.
- A widespread easing of the latest version of the tier system in the near future is, therefore, unlikely and a tightening of policy of some form is a real possibility. There are, though, strong political and practical incentives to avoid Lockdown III.

What would a Third Wave look like?

The central objective for policy set out in the COVID-19 Winter Plan, which was published on November 23rd and which set out the new arrangements on tiers which would take over from the second lockdown in England on December 2nd, is to “Bring R below 1 and keep it there on a sustained basis.”. The belief then was that the new tougher rules set out for Tier Two would, at a minimum, hold the R number steady and in some cases act to lower it, while the new Tier Three restrictions should surely be enough to suppress R.

It is not clear that ministers can be as confident of that assessment today as they were at the time that they and senior officials formulated a post-lockdown approach. There was evidence of some upward pressure on R in parts of the country even before the formal end of the lockdown on December 2nd. The immediate response of many people in Tier Two was to return to bars, pubs and restaurants despite the “substantial meal” dictum and Christmas shopping in many urban areas, notably central London, was striking. Even in Tier Three, the number of “contact points” many individuals were making was rising.

The danger, irrespective of the Christmas factor, is that the R number either breaks through 1 as a national average, or does so in certain heavily populated regions. This would need to prompt some form of policy response but deciding upon it would be complicated by some challenging factors. First, we are starting from a high base in terms of the numbers of daily case infections and the figures for hospital admissions. The headroom here is comparatively small if R were to hit, for instance, 1.2 or above either nationally or in certain densely populated places. Second, the time of year means that the NHS is under considerable pressure from numerous conditions other than COVID. Finally, the evidence that was set out tentatively on Monday that there is at least one new strain of the virus which appears to spread more swiftly than the norm might mean that in places where it is prevalent, testing and tracking, even if it were to be improved significantly, would always be chasing after the virus and could never get ahead of it.

The fear that R may press over 1 by the end of this month or early January is thus a real one. If it were to do so, which is not certain, then “doing nothing” is not an option.

How big a risk is the Christmas factor?

This is, alas, all but impossible to quantify. It is probably the case that if ministers across the four nations had known three weeks ago what they know now then they would have still have endorsed a Christmas relaxation but on tighter rules than they did. They would either have limited the number of households to two, or perhaps chosen a three-day period rather than a five-day one, or, conceivably, both of these notions. In the end, however, it was felt that the risk of non-compliance with any belated change in what had been announced was too high and that an appeal for personal responsibility at a louder volume than had been expressed before was about the best that could be attempted.

There are plenty of senior figures in the medical profession who manifestly disagree and who have made predictions and projections about the Christmas factor that verge on the apocalyptic. If these turn out to be largely accurate, then ministers will be in a very tricky place indeed in a few weeks time once the full impact of temporary easing is understood.

The reality is, nonetheless, that it is extremely hard to tell what will happen. For a start, we do not really know with any certainty what the baseline is for the comparison. The most draconian aspect of the latest restrictions – shared by Tier Two and Tier Three – is that the indoor meeting of two or more households is prohibited. This is a harsher line than imposed in most continental Europe countries now under lockdown where a limited number of personal “guests” indoors (two in the case of The Netherlands, for example) are permitted. As bar a repressive state it is not practical to know the extent of compliance to this extremely demanding rule (which has lasted for weeks now in much of England), we are not in a position to compare Christmas with what happened before it with any confidence. Nor can we precisely calculate the existing level of non-essential travel (shopping for Christmas is a hint that there is plenty of it about) and work out the degree to which travel to reach other households over Christmas is an exceptional deviation.

The opportunity for those who want to see each other even if this breaks the letter, never mind the spirit, of the rules is obviously there and all but impractical to police. A major loophole is that single people can opt in temporarily and essentially tactically to a support bubble with other households with multiple people within them, hence cutting the number of households down to three in what is really an entirely artificial device. The only way in which this could be partly addressed would be by placing a numerical ceiling on the total number of people allowed to sit down for lunch on Christmas Day (as has been done in Scotland with eight persons above the age of 12 as the maximum) but in the real world the capacity of the authorities to enforce this requirement is very limited.

On the other hand, the public also has the opportunity to make life less disturbing for ministers and officials. The take-up rate for a multi-household Christmas could be at the lower range of expectations. Many people may decide that exposing older members of their families to younger ones is simply an unacceptable risk and will either avoid it or engage in atypical social distancing within the household to protect the vulnerable. If very large numbers of families were to behave this way then, as the numbers of people at work from December 23 to 27 will be much lower than in a normal long weekend and travel to and interaction at places of employment are a major source of new infections, it is even a possibility that the total number of collective “contact points” in the UK could be lower than would otherwise be expected. In which case, for readers of a certain age and with long memories, the Christmas factor could have an element of Y2K about it.

All that those who shape policy can know is that they cannot know whether the decision to ease restrictions at Christmas will trigger a serious spike in infections. They will not start to acquire clues on case loads until early January, hospital admissions by mid-to-late January and deaths by the end of that month. Even then, unless the rise in all instances is spectacular, separating out the Christmas factor from what might well have happened anyway if the Tier Two and Tier Three rules had simply been maintained will not be a straightforward exercise. Nor will international comparisons be illuminating either.

What about the vaccination effect?

The vaccination effect will, in time, be substantial and transformative. The important words in that sentence are “in time”. There are about 1.75 million people who are considered to be at the highest risk of hospital admission and death if they acquired COVID-19 and they, plus those who work in the NHS and care homes, are in the first category of persons receiving vaccination as the highest priorities. Many of them are, however, relatively immobile, arrangements have to be made to move them to a place where they can be vaccinated, the vaccine needs to be administered twice over a three week period and a further seven days must pass before sufficient immunity transpires. After that, there is still some doubt as to whether vaccination either prevents or brings down the extent to which the person concerned could transmit the virus on to others.

All of which demands a cold dose of realism about the speed at which vaccination can take place and the pace at which regions could start to move towards lower tiers. If the number of approved vaccines were soon to increase that would potentially allow for a substantially faster roll-out, particularly once the process moved on beyond the most vulnerable who are also the most complex and time-consuming section of the population to vaccinate. But a credible best-case scenario for completing the campaign to deal with those whom it is most important to vaccinate is still mid-to-late March. At that point, the numbers of hospital admissions and deaths should fall very sharply. Yet before then, ministers could still find themselves with rising numbers of new infections, hospital admissions and fatalities throughout the whole of January and February.

What are the policy options for tightening?

If policy is deemed to be in need of tightening then ministers will be very keen to do so within the framework of tiers that they have now established. To move from a soft form of tiers to another lockdown in England back to a more robust set of tiers and then once more into another lockdown in England would hardly inspire confidence and would be a threat to compliance levels. It is only if there were no other practical option which would

achieve the necessary outcome that a third lockdown would be enacted. Yet as examples of national lockdowns across Europe right now demonstrate, it would be foolhardy to state that another form of lockdown in January and/or February is an impossibility. It would be sold as “one last heave” before vaccination proved to be the game-changer.

There is a menu of policy options which could be considered and introduced. In theory, they could be articulated at the next official review, which is December 30th, but there will be no evidence of any value about the impact of Christmas liberalisation available at that point, so January 13th would be the more logical point for any reconstitution. In practice, as the swift shift of London and surrounding areas into Tier Three status this week showed, policy will move according to the data and not a prescribed schedule.

It may be that no tightening turns out to be necessary. The combination of continued falling case loads in northern England, the effect of the Tier Three move in London and the South East, a smaller Christmas factor than feared, a diminished footfall in the aftermath of Christmas shopping and a higher level of working from home are enough to hold the reproduction number below 1 and buy time until vaccination has its effect.

There are not that many people in Whitehall willing to bet their mortgage on this rosy outcome. What happens will be determined by the extent to which the R number rises above 1 (if it does) and what is thought to be needed to force it back below that figure.

In ascending levels of severity, measures short of a full lockdown that could be the candidates for active consideration fall into five broad categories of measures.

The most modest would be to hold or move more of England into Tier Three for several extra weeks while making marginal, if any, changes to what the restrictions consist of. This would provide the most consistency in terms of policy. It would not be popular with a large number of Conservative MPs but there would be little risk of Labour aligning with those dissidents to vote down an extension of the tiers system in a vote in Parliament. It would demand continued, quite possibly enhanced, financial support for the hospitality and leisure sectors but the Treasury is by now probably resigned to its fate on that one as the decision yesterday to extend the furlough scheme by another month indicates.

The next step up would be to create an explicit or implicit Tier Three Plus in terms of personal movement. To drive down the number of contact points within Tier Three further still, the “rule of six” for meetings in outside spaces could become a smaller figure, the mandatory wearing of facemasks outside could be extended further and what is currently “guidance” about how much non-essential travel could be undertaken would be rendered more formal. While this would echo some of what was witnessed during the second lockdown in England, the fact that non-essential retail remained open would add some ballast to the argument that this form of Tier Three Plus was not a Lockdown III.

If that was not considered enough, then divisions could be made within non-essential retail and leisure activities. Close-contact services (such as beauticians and hairdressers), gyms and other forms of indoor facilities and virtually all entertainment venues could be closed but all other examples of non-essential retail would be permitted to operate. In effect (if not officially recognised) this would be closer in flavour to a Tier Four than a Tier Three Plus but it would remain distinct from the second lockdown in England.

Beyond that, what had previously been considered “red lines” in terms of education would have to become pinker. It has already been announced that students who have returned home for Christmas but whose courses are most suitable to on-line learning will not be heading back to their campus en masse but be phased in until early February. It is entirely conceivable that this date could be pushed back again or even that for very large numbers of students the whole of the coming term is conducted remotely. This would be something of an embarrassment to ministers but it would not be that hard to justify.

Compromising on schools would be much more painful politically. Ministers have come close to making this a line in the sand as the legal threats issued by the Department for Education against London boroughs that wanted to close their schools early shows. It has been repeated ceaselessly that it is essential that children can continue their studies. It would be a very considerable reversal if any ground were to be conceded on this issue.

Yet that cannot be discounted in the case of secondary education. The knock-on effects of closing primary schools where the children concerned could not look after themselves

at home or be cared for by anyone else other than their parents would be vast. It will be fiercely resisted in Whitehall. It would take our society all the way back to Lockdown I.

Some change in the arrangements for secondary school students, especially if the incidence of infection rates in their age-group keeps increasing, could be forced on extremely unwilling ministers. The problem here does not seem to be transmission within the classroom (where social distancing can work well) but in movement to and from school. Testing is being redirected at secondary schools in anticipation of their re-opening after the Christmas holidays. A week of staggering as to when these schools resume “business as usual” to allow for those testing facilities to be fully put in place was announced, somewhat hastily, yesterday. It might prove to be the last roll of the dice.

Moving back to rotated learning within schools or predominantly online teaching would be an enormous setback. As some inequality of provision would be very hard to avoid, it would almost certainly mean that public examinations in England would again have to be abandoned in favour of the teacher assessment deployed this August. What to do with secondary schools this Winter is a desperate dilemma for Whitehall. All ministers can do is hurl the kitchen sink (and a lot of testing) at attempting to avoid closures from arising. Despite this, there is a sinking feeling that secondary schools may be an Achilles Heel.

Conclusion – A Test of Patience.

This is, it should be said, at the outer spectrum of the circumstances envisaged. The optimists inside the Government believe that the existing Tier Three, or a very slightly modified version of it, might be enough to hold the line as it has in northern England.

Yet most of those close to the centre of decision-making now suspect that they would be fortunate to avoid at least a few weeks of restrictions tighter than those of today. If that only meant a delay before there was serious movement from Tier Three to Tier Two and Tier Two to Tier One this would be viewed as a tolerable outcome, all things considered. What ministers want to avert is what is perceived to have become the situation in Wales where seemingly wild swings in policy have sacrificed credibility but not halted the virus. This alone is an argument to avoid an outright Lockdown III except in dire circumstances.

The one relief, and it is a very important one, is that vaccination has become part of the arsenal. How patient the public is willing to be to await the moment when this really will be seen to be delivering results is perhaps the central issue during January and February. There will not be much respite for ministers when the official Christmas break has ended.

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