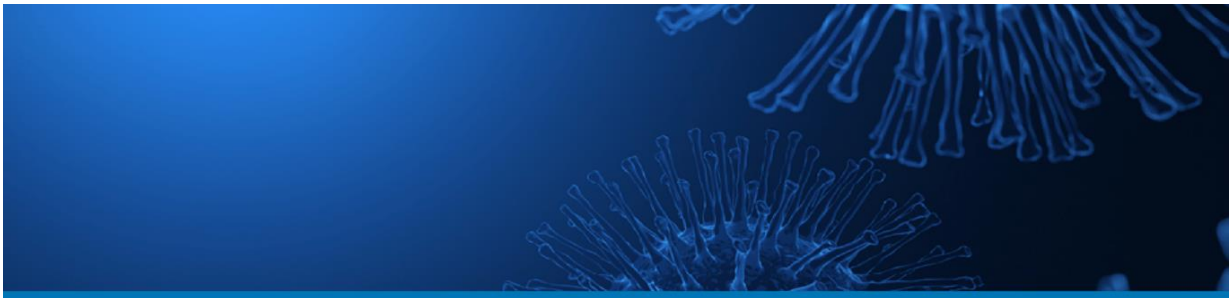

COVID-19
UK Political Analysis

By Tim Hames, Senior Adviser | 1st April 2021

FTI CONSULTING

Third Wave? April should be containable. Next Winter is the real test.

This has been a slightly surreal week in the history of the virus crisis albeit one blessed by magnificent sunshine for much of the country. At one level, the relaxation of some of the rules which occurred on Monday appears to have been received with joy and relief even though they mostly related to activities conducted outdoors. Such is the extent to which the public understandably feels that it has endured a long and hard Winter. At another level, the message from the Government not only continues to emphasise caution (as might be expected) but is openly preparing for the possibility of a "Third Wave" of new infections arriving this month from continental Europe with the clear warning that the degree to which the vaccination roll-out can forestall this is unknown. As was pointed out by Professor Chris Whitty on Monday, while the striking majority of deaths from COVID-19 have occurred among those who are now at least partially vaccinated, the stark majority of cases take place among younger age cohorts who have not yet been vaccinated and many of the youngest of these will not be injected for quite a while yet.

The public can thus be forgiven a degree of confusion and uncertainty. On the one hand, the Prime Minister appears to be exhorting them to "have fun" (strictly in a responsible manner and respecting the Rule of Six while doing so). On the other, talk of a Third Wave

due to the importation of a fresh set of cases from continental Europe has to raise the fear that liberalising the lockdown may yet be stopped in its tracks. Which outcome is it?

EXECUTIVE SUMMARY

- After a broadly successful three months in terms of containing the virus in the context of a third national lockdown in England, Whitehall is braced for an anxious April as the extent of any transmission from continental Europe will become clear, as will the degree to which vaccination itself, at this stage, can prevent an almost inevitable increase in cases leading to the sorts of surges in hospital admissions, demand for ICU beds and deaths witnessed previously.
- This concern is partly a fear of history repeating itself. The first wave of the virus came in to the UK very largely from continental Europe in early 2020 and then again in the aftermath of the summer holidays last year. The extent to which international transmission is a crucial catalyst for the virus is now much better understood by scientists than it was a year ago and hence there is more caution.
- A further critical element this time are worries about the possibility of the arrival of mutations of the virus – particularly the South African strain from France – which might serve to undermine the effectiveness of the vaccination campaign. While ministers are already preparing for a "booster shot" of the vaccine aimed at the most vulnerable sections of the adult population this Autumn, they do not want to have to conduct such a drive against the backdrop of rapidly rising cases.
- There are, however, a series of reasons to believe that what will happen this month will fall well short of the very sharp increase in hospital admissions and from there deaths that a real Third Wave would be associated with. Bar a sudden increase in cases of the South African kind, it is unlikely that the next stage of lifting the lockdown due to occur on April 12th (the reopening of non-essential retail and hospitality resumed in an outdoors setting) will need to be deferred.
- The real challenge will instead come in the approach to next Winter. Decisions will need to be made on the extent of any further round of additional vaccines and the degree to which some restrictions associated with lockdown (such as the use of facemasks, the imposition of social distancing in certain indoor conditions and limitations on numbers allowed to attend social and sporting settings) may need to be reintroduced in the depths of December and in January next year.

- In the longer-term there is an increasing appreciation at an international level that the risk of pandemics is much higher than was recognised until recently. There are, for example, nine known examples of other coronaviruses in bats that are considered to be potentially very harmful to humans but which have not yet found a third party animal which would serve to transfer the infection to people.

An Anxious April.

In many respects the first three months of this year and the third lockdown held across England have been much more successful than it would have been reasonable to expect. The vaccination campaign in the UK has been highly effective not only in the availability and distribution of the vaccines themselves but in the take-up rate, especially among most of the more vulnerable sections of the populations, which has greatly exceeded that for the flu vaccine (72%) and the early estimates for COVID jabs based on opinion surveys. The NHS was placed under unprecedented pressure during the first six weeks of this year but despite at one stage there being about 40,000 people in hospital beds with severe cases of the virus the overall structure of the system was not overwhelmed. The level of national compliance with what are still draconian restrictions on individual social and economic liberties, while almost certainly lower than the first month of the lockdown last Spring, has surprised those who had to implement the latest lockdown. The early evidence is that the decision to reopen schools more or less in one “big bang” in England on or around March 8th has not led to a rapid increase in cases as was feared. If assessed purely on internal factors, talk of a possible Third Wave at this stage seems a little odd.

Yet it is an absolutely sincere subject of discussion at the highest level in Whitehall. It is not, as some have suggested, essentially a subterfuge to keep the public on its toes in terms of respecting the rules, or to provide the Prime Minister with a convenient alibi for fending off demands from some of his own MPs and sections of the media (not least The Daily Mail) that a faster vaccine roll-out should lead to a swifter lifting of the lockdown.

The reality is that the one element of what has happened over the past three months (and especially the last six weeks) that literally no one in Whitehall had factored in was the extent to which the situation in continental Europe would deteriorate with a spike in

cases, hospital admissions and deaths in many continental countries, some disturbing signs of the South African variant acquiring a foothold in sections of France and an EU vaccination campaign that has not only proceeded more slowly than it would have been fair to expect but has involved some public relations embarrassments that have actively undermined the case for the vaccines that Europe needs its citizens to accept. Hence the continued angst among ministers that there could be a back door virus threat to the UK.

Some of this is an almost gripping fear of history repeating itself. The virus entered the UK not via China but France, Spain and Italy with the February Half Term holidays proving to be a pivotal occassion. It returned from similar sources in very late August 2020 after the summer holiday break. UK ministers have already seen one strategy for seeking to contain the virus (that of regional tiers and varying rules) blown out of the water due to a mutation (the Kent strain). Their reluctance to entertain a repeat of this is natural. In a sense, this is a case of once bitten, twice shy and third time verging on the obsessed.

It is not just the recent past and the situation on the European continent as of today (which will take some weeks to resolve itself even if policy collaboration improves) that is a cause for concern in Downing Street. There are additional domestic factors as well.

The first of these is that while overall new daily cases have tumbled from an official high of 60,000 cases in early January (the asymptomatic factor means that the real number was probably significantly higher), they are at 4,000-6,500 cases in the last week, still a higher base than was the norm in July and August last year where they fell to noticably fewer than a thousand cases a day. As the current numbers will also be an underestimate of the true figure with many asymptomatic infections in the community, there is plenty of room for the virus to flourish were infections to be imported at scale.

The second is the realisation that it will be very hard to maintain the amazingly high rate of vaccination as the younger age groups are called to come forward for their opening dose as the proportion of such sections of the population who have reason to fear the virus leading to incapacitation and death is obviously lower than older segments and being more mobile the NHS has less accurate information as to where these people live. Even if vaccination could somehow be accelerated, a Third Wave could still strike the UK.

Finally, we are attempting to ease the lockdown restrictions at the same time as having to concede the possibility that a Third Wave might be out there, which is contradictory. The alternative, though, is a lockdown stretching for months that is increasingly defied.

A Ripple not a Wave?

There is, nevertheless, a sound argument for optimism. It would be extraordinary if there were not some increase in the daily infection rate in April, but it should be containable.

There are a number of reasons why, on balance, Whitehall is now wary but not fatalistic.

The first of these is that the primary cause of the surge of cases in continental Europe is that the B117 or "Kent" variant has managed to displace the original virus in country after country and as it is much more transmissible (and possibly more deadly) it has wreaked havoc in its wake. The UK has already had that experience. The Kent variant is currently responsible for the substantial majority of cases that are happening here. There is no evidence that the "European" version of it is significantly different to the Kent one. The risk lies not in its reimportation but if the South African variant were to come into the UK in force via France and hence be a menace to the existing vaccination strategy.

This is, of course, always possible but, secondly, probably unlikely. That is because the extent of international travel is vastly down on what it was towards the end of last year. France is a challenge because the need to move food and medicines to and from the UK means sealing the border completely and imposing "red list" conditions across the board is not practical. Most French lorry drivers do not, however, intermingle with UK society. A system of regular testing and the most extensive genomic sequencing in the world would allow for early sight of new incidents of the South African variant and action to deal with it through self-isolation of known cases and very localised lockdowns if needed.

Finally, although it cannot be a perfect system, mass vaccination in the UK has reached a point where it will offer a defence of some intensity against any Third Wave of the virus. More than half of all adults in the UK now have some antibody immunity in their bodies. The figure rises to 80% or higher among the oldest and the most vulnerable. There will, it has to be conceded, be some people who choose not to be vaccinated or for whom the

vaccine proves to be medically ineffective. Yet the best estimate is that if there were to be an increase in new cases a very small number would involve hospital admission and with the combined impact of the vaccine and treatments only a tiny figure might die.

When all of the above is considered, plus other factors such as warmer weather which it is known that the virus dislikes, then a ripple is more probable than any Third Wave. A ripple is a matter of deep regret, particularly as it should have been avoidable with more forceful lockdowns in much of Europe and a more coherent approach to vaccination, but it is unlikely to complicate the lifting of the lockdown across the four nations of the UK. In England that means the reopening of non-essential retail and outdoor hospitality on April 12th as set out in the roadmap. Unless there is serious evidence of a proper surge in the South African variant, then the May 17th target for restoring most hospitality indoors should hold steady as well. There will doubtless be some wobbles en route but as the vaccination roll-out reaches the moment where many millions of people have had both shots then the chances of serious difficulties from a resurgence this Spring will diminish.

The real test is next Winter.

This does not, alas, mean that we are then out of the COVID-19 woods forever. There will instead be an interval where the case numbers could sink to those seen last summer but with an awareness this time that the virus has not been and will not be eliminated.

Even with an unexpectedly high level of vaccine participation, the numbers of those who have not opted for the vaccine, or for whom it will be ineffective, will still be in a range of 15%-25% of the potentially vulnerable population when next Winter approaches. A new campaign of “booster” injections (which could involve different, novel, types of vaccine depending on what sort of mutations have been detected) will super-protect the 75%-85% of the public willing to be injected and capable of building up antibodies due to this, but this will not do much for the missing minority (unless vaccination turns out to be at the better end of the existing estimates as to how much transmission is cut as well).

So, that means, in terms of the models from which ministers and officials are working, a current estimate of COVID-19 killing 25,000-30,000 people in the UK in Winter 2021/22

with a range of possibilities from as low as 10,000 people (slightly worse than an average flu season) to as high as 50,000 people (which is considerably in excess of flu mortality).

This in turn will force a number of challenging choices on to ministers and advisers.

The first is the extent of any "booster" campaign where decisions will have to be taken well in advance of any such drive being initiated. Should it be limited to just the top four priority groups of the original vaccine campaign (so about 15 million people), or to the full nine prospectively vulnerable sets (everyone over 50 and the clinically exposed) or is there a risk of a mutation which is so unappealing that every adult should be vaccinated? The demands of manufacturing and distribution are such that a determination will have to be made as early as July but on evidence that may change as the Summer evolves.

The second is what, if any, social restrictions to reintroduce in November or December if there is very clear data that the number of new cases is rising sharply and this is likely to have an impact on hospital admissions, the need for ICU beds and the chances of death. The public might think, come late June, that they have seen the back of facemasks, of social distancing inside buildings, of the "work from home if you can" assertion from the Government or of numerical limits being placed on indoor social and sporting functions. Hopefully this will be the case. It will not be if 50,000 COVID-19 deaths is on the cards.

The third is what to do in the longer-run to make international travel a safer prospect. Mass vaccination will help a lot but it will have to be supplemented by some form of testing regime and countries will have to work together much better than they have.

Conclusion.

In many respects we are entering the early days of what will become a year of transition. Twelve months ago we assumed that the COVID-19 crisis would be a short, sharp shock. We now accept that it will be more than that. Twelve months from now the UK will be a very largely vaccinated society that, having experienced the scale of what post-pandemic infection rates will look like once it becomes a largely seasonal disease, will be in a better position to decide about the sacrifices we will make to minimise the annual death toll.

This week has seen some welcome recognition of the importance of global co-operation. The most interesting aspect of the letter signed by 24 world leaders on Tuesday which called for an international treaty to deal with future pandemics is the recognition that the question of a repeat of this crisis has really become not if but when it will take place.

In retrospect, the intriguing feature of this pandemic is why it did not happen earlier. There were warning signs with the likes of SARS in 2002-2003, swine flu in 2009 and MERS in 2012. The potential for rapid global transmission was clearly there. It is a known fact that there are nine existing coronaviruses which exist in bats that are potentially very harmful to human beings. The threat has not materialised because a third party animal is needed for transmission from bats to people to occur. There are bound to be other viruses which we have not detected or which will not have been formed yet. There will be another wave sometime, but of what, when, and starting where we do not know.

This will be the last FTI Analysis that I will write as I am moving on to focus on a book about the COVID-19 crisis and its consequences and other ventures. My thanks to FTI Consulting for allowing me to write them and to you for kindly agreeing to read them.

Tim Hames
Senior Adviser
Strategic Communications
Tim.Hames@FTIConsulting.com