### **Dear Constituent**

I write to wish you a happy Easter, despite the difficult circumstances we find ourselves in. I hope many of you can contact your friends and relatives with suitable technology, and that you can enjoy your homes and immediate family contacts. For any who have illness in the family, I wish you a speedy recovery.

Let me begin with some better news. On April 10th at the news conference the government showed that most recent hospital patients with CV19 actually fell by 2%, mainly owing to a turn down in the graph in London which still has the most cases. Let us hope we are somewhere near the peak of numbers going into UK hospitals. There were 20,204 in UK hospitals with the virus on Friday ( these figures excluded Northern Ireland). There were 3335 UK wide in intensive care. These large numbers are so far well within the stated enhanced capacity of the NHS , though I do not doubt the big efforts required of many staff in the front line facilities to sustain these numbers.

For me, the daily tasks of trying to get the government to ease problems for people financially damaged by the shut downs continues, as does the need to help the local NHS and social care providers where required.

I have stressed repeatedly to the government that their cash assistance to people and companies needs to be faster and easier to access. The initial success in getting schemes to allow workers to keep their jobs with state payment of 80% of wages , and with assistance for the self employed, was most welcome. There remain delays and gaps in provision.

The Treasury has made a few improvements and needs to make more. I have passed on frustrations with banks over access to credit lines. The Governor of the Bank of England and the Chancellor have written a joint letter to the commercial banks asking them to open the schemes and lend the money, but issues still remain.

I am sending in more detailed proposals for tackling the pinch points in existing financial support and for widening access to help schemes. Directors of small businesses are not looked after, job changers can lose out, and companies placing employees into furlough are still not in receipt of any cash to help pay the wages. Ministers want to help, but it is taking time for the administrative procedures to be put into place and to operate on the scale required.

There have been issues over the supply of protective clothing for health and care workers. I have taken these up centrally as have many others and more is promised. Companies around the country are engaged in increasing manufacture. There is plenty of government money to buy the kit, and plenty of Ministerial will to see more delivered, but the system is stretched by the sudden and continuing surge in demands.

Many people want to see more tests done to see if people have the virus. Testing care staff who are ill or have been in contact with those who are would allow the return to work of those without the disease. Ministers have made very clear they want many more tests carried out. They were also prepared to buy 3.5 million tests kits to see if people had had the virus and gained some immunity as well. These kits turned out not to be reliable so the order has not yet gone ahead. The tests for the disease that are being supplied are important for patients in hospital and for care workers as priorities. Government is encouraging the ramp up of more production.

The big decision to be made is how long should the lock down continue? The medical and scientific advice is that it is necessary to limit the spread of the disease. It does do grave damage to the economy, denying many people the right to work, costing us many lost jobs and damaged businesses. I have been putting forward proposals of how we might start to lift the restrictions so more can go to work, whilst keeping strong protections for the old and vulnerable with other medical conditions who are most at risk from the virus. I am also seeking more accurate figures about the impact of the virus and the capacity we have available to handle patients. It is vital that this important decision is taken on the basis of reliable data.

Yours sincerely

John Redwood

# The numbers from April 10th

Now I have been sent the published back up data for the Friday graphs shown at the news conference, I thought I should just highlight the current situation.

Yesterday's figures for hospital beds occupied by CV19 patients showed a small decline, thanks to London's graph falling a bit where the most cases are still concentrated. Current patient numbers at 20 204 remain high. 3335 patients are in intensive care.

These are high numbers which we all want to come down. They do impose a big strain on the staff having to handle this unpleasant disease, which is unrelenting at this level. They do, however, show the UK is still currently well within the enhanced capacity of the NHS to cope with the crisis. As part of the aim of policy was to avoid an unsustainable peak demand on the NHS, it is encouraging so far to see these numbers and to see the recent levelling off. Of course we hope to see this being maintained with no dangerous relapse to a steep climb in hospital cases. The NHS handling these volumes will inevitably limit other non urgent work taking place.

### Review the data

The death rate is too high. Every death is a tragedy. We all want to see it going down. The nation mourns those who have lost their lives to this disease.

Soon the government needs to review progress with its object of flattening the curve of the virus spread, to consider how long we need to remain in lock down.

I am glad we are now privy to the figures the government relies on. In the daily briefings we are shown two graphs or "curves", the trend in hospital deaths from CV 19 and the trend in hospital admissions for the infection.

It is presumably these curves that need to be sufficiently flattened to allow the government to transit to the third phase of its advisers' planned handling of the virus crisis.

There are several issues with the Death figures that need getting right. I think it would be good for some administrators and statisticians from government and or from the scientific community advising the government to spend some time ensuring accurate data. This should not involve medical and hospital staff time which is needed to handle the patients.

There was a change in the basis of their compilation on March 26th, when they shifted from 8 hour to 24 hour reports, moving the numbers up. Can they smooth the figures to allow for this?

There is the issue of whether the deaths are all recorded on the appropriate day. The day before yesterday we were told the higher number included deaths from earlier days which they thought had not been recorded at the time. Can't the numbers to be reworked for all but the most recent by reference to the death date on the medical death certificate?

There is the possibility of double counting. If deaths are sometimes recorded promptly before paperwork is completed, and other times when the paperwork is ready, there needs to be a check that they do not end up recording the same death twice.

The wider ONS figures are also of interest. These are higher as they include deaths not in hospital where CV19 was present. These include some where the deaths certified as with CV19 are based on statements about symptoms with no tests to confirm the presence of the virus. The figures include cases where CV 19 is mentioned where other severe conditions mean the patient would probably have died without the virus anyway.

Hospital admission with the virus is an easier series to get right. Presumably all on admission for CV 19 treatment are tested to ensure they

have it, to make the correct treatment available. Admission takes place at one stated time and date, so it should be relatively easy to get a clean series of numbers that are accurate. A simple check would be to compare bed numbers and occupancy rates by hospital and to examine any outliers.

This is such an important decision both to control the disease and for the jobs and livelihoods of the many, that the decision takers need the most accurate possible numbers.

## Infinity Fed tries to save the world

The Fed has been buying bonds, commercial paper and mortgage securities on a huge scale. It has made available large swap lines in dollars to other Central Banks around the world to ease the dollar shortage. It has stabilised the Treasury bond market, assisted the corporate bond market, and reassured the financial world more generally.

The Fed is certainly showing willing to do whatever it takes to avoid a financial crash. It is now looking to governments to do more to cushion economies in lock down.

If rapid and decent assistance to companies banned from working is not forthcoming from governments, we soon move to a situation where companies are borrowing too much to pay their bills, and firing too many to reduce their costs. In a normal recession companies keep the majority of their turnover from the good times as demand throttles back and people's incomes are squeezed. In this crisis many companies lose all their revenue overnight and do not know when they might be able to resume trading.

The EU is struggling to come up with package for the Euro area that can help sufficiently. The Dutch and Germans lead a group of northern states who resist the idea that the Euro area should borrow money to give to troubled states that face the worst problems with the virus. They have no wish to underwrite EU wide debt spent in places like Italy and Greece.

The Commission, conscious that it needs to be seen to be supportive of member states at this time, has pledged to direct every spare Euro from its budgets to fighting the virus. It has also sought to broker an agreement about more EU borrowing. It is exploring more loans to places like Italy under the European Stability Mechanism, and wants member states to beef up the capital of European Investment Bank so they can lend more to business.

This presumably will have an impact on the green policies that were the priorities of the planned budgets of this Commission before the virus hit. There will need to greater clarity soon over what is being removed from plans to accommodate the virus expenditures.

The USA government has put together and passed a \$2 trillion package of support, but is finding it difficult to parcel it up and pay it as quickly as the companies in need would like. Japan has come up with a \$1 trillion package of measures. This all helps, but the onset of this recession is so fast and the impact so severe from just banning much economic activity overnight that so far the governments have not done enough to offset all the damage. As the Chairman of the Fed has wisely said, many companies need government grants, not more borrowing to see them through.

### Coronavirus Job Retention Scheme

I have received this update from the Chief Executive of HMRC:

Dear Sir John,

I want to update you on the opening of the Coronavirus Job Retention Scheme.

I know you are receiving a significant number of queries from constituents on the various measures HMRC is taking to provide support during the coronavirus outbreak. We are updating our guidance regularly and you will continue to hear about changes through our MP email digests.

As I confirmed when giving evidence to the Treasury Select Committee yesterday, we will open the Coronavirus Job Retention Scheme for claim submissions on 20 April.

We have already issued emails to employers and tax agents letting them know that updated guidance is available on <u>GOV.UK</u> at:

Employer guidance

□Employee guidance

We will continue to communicate with you as the scheme develops and we will shortly be able to provide employers with the information they need to prepare to make a claim. In the meantime, we urge customers to review the guidance on <u>GOV.UK</u> to ensure they understand the latest position.

Employers should also reassure their staff that employees do not need to take action, as applications for funding to the scheme will be made via their employer.

I hope this information is helpful.

Best wishes,

Jim Harra

Chief Executive and First Permanent Secretary