

Letter to the Leader of Wokingham Borough Council proposing more volunteering

Whilst the reason for the immediate increase in funding is not one we welcome, the government has made £1.6bn available to Councils to handle the virus and boost social care, and a further £1.3bn to free hospital beds . I have been pressing for more social care funding for sometime, and trust Wokingham's share of this will help.

One thing the Council could assist with, given this extra cash, is the promotion and organisation of Volunteer efforts to help in the current crisis. Volunteers could be recruited to help the elderly and vulnerable with their daily shopping when they are protecting themselves by staying at home. Volunteers can also help combat loneliness for those who are isolated, through telephone and internet communications to keep them in touch. I would be grateful if the Council could assist by co-ordinating volunteer responses.

Please let me know how Council organisation is getting on with these challenges. Freeing hospital beds is particularly important and strengthening social care is a good in itself.

Food supply and home deliveries

There is plenty of food but still some problems getting enough into shops. There is a shortage of home delivery capacity for the elderly and ill needing that.

I have put the issue to Ministers again and asked that they broker further talks between the catering and supermarket companies over diverting food from catering packs to retail packs, and possible use of catering delivery assets and drivers to shift more for supermarkets. The government should suspend competition rules to allow collaboration.

Now most non food shops are closing the government could also ask the logistics companies shifting non foods to shops to see what they could do to boost food deliveries, and to see if some of the home delivery capacity of non foods could be used for foods.

Food supply

Some constituents who need to self isolate or stay home tell me there are still problems getting home deliveries or shopping organised.

I have asked Wokingham Borough to assist with organising volunteers who could help with shopping. Will those offering help and those in need of it please see www.volunteerwokinghamborough.org.uk.

I have also written again to Ministers to ask them to do more to try to mobilise the large logistics industry that supplied caterers and non food shops, to use their resource to help with food movement and home delivery.

Help the self employed

I am going to submit my scheme to help the self employed to the Treasury again, as we have still not had an announcement from them.

Handling the economic damage

The epidemiologists advising the government have succeeded in persuading them to lock down as much of the country as possible. The aim is to stop the spread, and so reduce the numbers needing hospital treatment. The earlier policy of trace and isolate did not prevent escalation, though it may have slowed the progress of the disease as the advisers hoped.

Given this, the best outcome now must be a severe but short lived clampdown with a resulting drop in numbers getting the disease, followed by some relaxations to get more people back into work. The worst outcome would be little progress with getting numbers down and a decision to carry on with many closures in the hope that the policy will sometime start to work as planned. A middle course is likely with a longer period of clampdown and some success with braking the rate of increase.

What does this do to the economy? More than 40% of it, the private sector not involved in food and food retail , pharmaceuticals, utilities and other basics will take a big hit. The obvious sectors that have been closed down will lose all their revenue, but it is likely new cars, new homes, discretionary purchases will all be cut back, some severely. We will see falls in output and incomes of a magnitude we have never seen before in a

recession. They have come on us suddenly.

If the government aid for companies is administered well and promptly, and extended to the self employed, then many businesses will survive and be available to supply and serve us again as soon as restrictions are lifted. If the banks use the government guarantees well and make some of the ample liquidity to them available as affordable loans, that too will help see many more companies through the low or no turnover phase.

It is going to be much easier for companies to revive and bounce back if the gap is not too long. More visibility on timetables would be helpful to those deciding whether their business can battle on and on how much they need to borrow to bridge the gap.

The government should give us scenarios based on better control of the virus to give some hope that these restrictions are temporary. They can say that the short term closure model is more likely if we all co-operate and observe as much social distancing and isolation as our roles allow.

As of today we face the loss of a large number of self employed businesses without more financial support, and even the loss of businesses covered by the financial support scheme announced who nonetheless are losing so much business from virus related effects and have large non employee costs..

It is nonetheless the case that the UK economy will lose a lot of output from March onwards and that cannot return until the bans are lifted. Jobs will also be lost if the government financial support is not readily available at scale. The longer the closures and bans continue, the more businesses will give up and make their staff redundant to stop the losses.

Commercial rents will fall, dividends will be cut, pension funds will have much bigger deficits and businesses in trouble will have problems raising capital. There will be large falls in investment.

This is now happening all over the advanced world where similar policies are being followed. I wish the experts and governments every success in limiting this disease . They also need to recognise that the serious economic damage being done to try to arrest the progress of the disease is going to get very severe unless there is a relatively short time limit on the shut downs and financial help for all in the meantime.