

Update on the Trade Credit Reinsurance scheme

The government and the Association of British Insurers (ABI) have today (Wednesday 26 May) announced that the temporary Trade Credit Reinsurance (TCR) scheme will close on 30 June as planned.

The scheme has directly benefitted over half a million businesses, providing certainty to firms across the UK and safeguarding jobs. It protected more than £575 billion of business turnover by providing around £210 billion in insurance cover.

TCR was designed as a temporary solution to companies struggling to get insurance cover for transactions because of the pandemic. It is now ending in the context of a positive outlook for economic recovery in 2021, appetite for new business among participating insurers and the continued success of the vaccine rollout.

Participating insurers have indicated to the government that the scheme is no longer required and they are keen to take back full underwriting control.

The government and participating insurers will continue to work together to ensure there is a smooth transition to the private sector resuming its normal role of providing cover, as agreed with the ABI and participating insurers.

Business Minister Paul Scully said:

The Trade Credit Reinsurance scheme has been a huge success story, with the government and insurers working closely together to back more than half a million businesses, protecting jobs and providing confidence through the pandemic.

The scheme allowed trade to continue flowing despite the uncertainty caused by the pandemic, and it is only right that now our economic outlook has improved and businesses are getting back on their feet, the private sector resumes its role of providing insurance cover. I look forward to continuing to work with insurers to deliver the support which businesses need.

The scheme was a vital and necessary intervention by the government in response to the coronavirus (COVID-19) pandemic, providing certainty to businesses across the UK and protecting jobs. The scheme has offered eligible insurers a government-backed reinsurance agreement, covering insurance offered on business transactions within the UK and overseas.

This enabled trade, which required insurance but was unable to get it due to the uncertainty caused by the pandemic, to continue flowing.

Huw Evans, Director General of the ABI, said:

Insurers were pleased to have worked closely and constructively with the UK government on this temporary scheme. At a time when firms needed extra support during the pandemic, the scheme has helped ensure that businesses remained able to insure against potential risks in their supply chain. The scheme has been an excellent example of how government and the industry can work together on solutions to unprecedented market challenges to ensure the continued availability of insurance.

John Glen, Economic Secretary to the Treasury, said:

This scheme has supported millions of jobs at over half a million businesses by giving companies and their supply chains confidence through the pandemic. It has been a significant success, providing nearly £210 billion of cover, and it's right that trade credit insurance transitions back to the industry now the economy is starting to recover.

It is vital that insurers and businesses proactively continue to engage with one another during this period to ensure any necessary revisions to cover are minimised.

Whilst the government scheme is being wound down, insurers have committed in the joint statement between the government and the ABI to:

- continue to work closely with policy holders and their clients to understand their insurance needs, whilst proactively seeking out relevant information to inform underwriting decisions
- give adequate consideration in underwriting decisions to a business's plans for recovery and prospects for future growth, as well as the impact of the pandemic on different sectors and the ongoing nature of government support
- continue to communicate the rationale behind underwriting decisions transparently and in good time

Similarly, during this period the government has committed in the joint statement to:

- maintain an open dialogue between insurers and businesses, working collaboratively with both to help ensure the smooth transition of cover back to the private sector
- continue to monitor the levels of insurance cover within the market

Following the conclusion of the scheme, the government will begin work on the review of the Trade Credit Insurance market to ensure that it is leading to fair outcomes for consumers.

[Read the joint statement in full.](#)

[Nottingham blackmailer jailed for longer](#)

A Nottingham blackmailer has had his sentence increased following an intervention by the Solicitor General, Rt Hon Lucy Frazer QC MP.

Declan Ryan, 31, was found guilty of blackmail after acting on behalf of his associate, Francis Wellington, in Wellington's plan to extort money from an old schoolfriend.

Ryan sought to extract £5,000 from the victim, visiting the victim's house whilst his mother and children were present. Ryan falsely claimed that the victim owed money to Wellington and threatened violence unless he paid the supposed debt. The victim took the threat seriously as he was aware that Wellington had access to guns.

Ryan later called Wellington on the telephone and promised to keep pressuring the victim for the money.

Ryan has 76 previous convictions from 24 prior court appearances, including for assault and possessing knives.

On 6 April 2021, Ryan was convicted of blackmail and sentenced to 18 months' imprisonment at Nottingham Crown Court. Wellington was previously sentenced for the same offence.

Following the court's decision, the Solicitor General referred the sentence to the Court of Appeal under the Unduly Lenient Sentence (ULS) scheme.

On 26 May, the Court found the sentence to be unduly lenient and increased it to 29 months' imprisonment.

After the hearing at the Court of Appeal the Solicitor General, Rt Hon Lucy Frazer QC MP, said:

Ryan was a willing accomplice who voluntarily played his part in the persecution of an innocent victim. Blackmail is a vicious offence, and I am glad that the Court of Appeal saw fit to increase his sentence today.

[ESFA Update: 26 May 2021](#)

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[Scottish GDP Figures March 2021](#)

Press release

Scottish Secretary Alister Jack responds to the latest Scottish GDP figures



Commenting on today's [Scottish GDP Figures](#), Scottish Secretary Alister Jack said:

Achieving a strong and stable recovery from the pandemic remains our priority.

We know that Scottish businesses and families still face huge challenges, and the UK Government will continue to support jobs right across the UK.

The UK Government's furlough and self-employed schemes – both extended until September – are together supporting the jobs of nearly half a million people in Scotland. Business loans and VAT cuts are helping hardest-hit sectors and we are making sure that the welfare system has the funding it needs to support people across Scotland.

We've allocated the Scottish Government more than £14.5 billion in additional funding, and local economies are seeing direct investment through our city deals programme and our new UK-wide investment funds. That is all while the success of the UK Government-funded vaccine and testing programme continues to give us hope for a brighter future.

The UK Government's focus is firmly on Covid recovery, and we want to work with the Scottish Government on strengthening our economy to build back stronger.

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