

Dear Colleagues,

2021-2 Post-Lockdown Recovery

Thank you to everybody who participated in our consultation on the Union and Constitution. Following our break for the elections, this consultation paper picks up from last year's special paper on our response to SARS-CoV-2 and invites your input on how we might best recover from the pandemic and more than a year of lockdown restrictions. If you identified new Conservative supporters during campaigning for the recent elections, be sure to use this opportunity to invite them to contribute to the Party's policy-making process.

Please send your responses to the questions in this paper to CPF.Papers@conservatives.com, using the associated response form published alongside the paper on the CPF website. The deadline for submitting your response is 4th July. We aim to publish our next discussion paper, which will be based on members' input to our grassroots' initiative with the Conservative Women's Organisation, Tell No.10, on 5th July.

A summary of responses to this consultation paper will be sent to the Prime Minister's Policy Unit, relevant Ministers, Party Chairman and CPF Chairman by late-August. We look forward to hearing your ideas as, together, we seek to deliver on our promises to "level up" and "unleash Britain's potential", spreading opportunity across the whole United Kingdom.

Kind regards,

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Emerging from Lockdown: The Challenge

"Our Plan for Growth sets our path to invest in infrastructure, skills and innovation to build back better, whilst harnessing the strengths, resilience and creative spirit we've seen from businesses over the past year, so we can level up opportunity and prosperity across the country, eliminate our contribution to climate change and forge ahead as a truly Global Britain." (Prime Minister Boris Johnson, 30 March 2021)¹

As of 9 May, over 35 million people across the United Kingdom had received at least one **COVID-19 vaccine** dose—about three-quarters of all adults in the UK—half of whom (17.6 million) had received two doses.² From 19 March 2020 to 7 April 2021, 108,301 patients were admitted to hospital in England with COVID-19 and a further 286,940 inpatients were diagnosed as having the virus—a total of almost 400,000 patients with SARS-CoV-2 who received **hospital treatment**.³

Both of these are remarkable achievements. The death toll, however, has also been striking. In the year since the first registration of a death in the UK involving SARS-CoV-2 (in the week ending 13 March 2020—that is, 2020 week 11), there were 21% more deaths (115,111) registered in England and Wales than the average in 2018-2019.⁴ This is 3.5 times the average number of deaths usually caused each year by acute respiratory diseases, chiefly influenza and pneumonia:⁵

- an extra 1 in 476 (0.21%) men and 1 in 628 (0.16%) women died compared with the average rates of death in 2018-2019 (see charts 1 and 2);
- nine out of ten of these were men aged 60 and older and women aged 65 and older.⁴

Meanwhile, a backlog of **other health needs** has been growing. The number of non-emergency, consultant-led treatments completed per working day was down by 33.1% in the twelve months to February 2021 compared the same period a year earlier. Consequently, the number of NHS referral patients waiting to start treatment at the end of February 2021 had risen to 4.7 million patients:⁶

- the median waiting time was 12.6 weeks—up from 7.5 weeks a year earlier;
- the 92nd percentile waiting time was greater than 52 weeks—up from 24.7 weeks a year earlier; i.e. 8% (387,885 patients) were waiting more than 52 weeks to receive treatment—up from just 1,613 patients waiting more than 52 weeks in February 2020.⁷

Jobs and the Economy

During lockdown, 11.5 million jobs were supported by the Coronavirus Job Retention Scheme. At the end of March, the number of **employees on furlough** stood at 4.2 million, with 67% of eligible employers in the accommodation and food services sector still furloughing staff.⁸ The proportion of people temporarily away from work has fallen since its peak of nearly 28% in April 2020, but it has still not dropped below 10%, and averaged around 15% in the first two months of 2021.⁹ Nevertheless, the latest **UK unemployment rate** is estimated at 4.9%⁹ and the OBR expects that this will rise by a further 500,000 to a peak of 6.5% at the end of 2021.¹³ Coupled with a third of working adults still working exclusively (28%) or partially (9%) from home,¹⁰ **public transport use** remains significantly lower than before restrictions were introduced (see chart 3).¹¹

Economically, **government borrowing** reached a peacetime high of £303 billion (14.5% of GDP) in 2020-21¹² and is forecast to fall "to £234 billion (10.3% of GDP) in 2021-22 (still higher than the 2009-10 peak at the height of the financial crisis)."¹³ Government gross debt now stands at £2,142 billion (97.7% of GDP), a level not seen since the early 1960s.¹⁴ The 9.8% **contraction in GDP** seen in 2020 was the largest on record¹⁵ and it remains 7.8% below the levels seen in February 2020 (see chart 4).¹⁶ This has troubling **health implications**, as "On average, mortality is about 5% higher when GDP is 10% or more below trend."¹⁷ The Government has forecast "an increase of 18,000 excess deaths as a result of the medium-term **mortality impacts** of the lockdown-induced recession, occurring 2-5 years following the lockdown" and "estimate the long-term mortality impact of the lockdown-induced recession (more than 5 years in the future)...on those who were aged 15-24 during the lockdown-induced recession...[as] 15,000 excess deaths" or "17,000 additional deaths per year for every year that GDP remains at a low level."¹⁸

Questions for discussion

1. Would you support making particular activities such as (i) international travel, (ii) large events like football matches, or (iii) a return to certain workplaces, contingent on proof of vaccination or testing for SARS-CoV-2?
[Please record how many in your group answer “yes” and “no” to each option.]
2. How do we exit lockdown in a way that helps to level-up the UK?
3. How do we rebuild communities, charities and our social fabric?
4. How do we help high streets to build back stronger than before?
5. How do we encourage people to get back onto public transport and into cities again?
6. How do we upskill and retrain those that have lost their jobs?
7. How do we balance support for the rapid return of the hospitality sector (e.g. pubs/restaurants) and arts sectors on the one hand with public health concerns on the other?
8. How might we celebrate those who have made extraordinary public contributions during the pandemic?
9. Is there any other observation you would like to make?

Government Recovery Plans

- **Our record NHS funding**—the largest and longest funding settlement in NHS history—will safeguard an additional £33.9 billion in frontline NHS services every year by 2023-24. We are also building 40 new hospitals, upgrading 20 more, and have got over 10,900 more nurses and almost 6,600 more doctors working in our NHS in the last year.¹⁹
- **Our Plan for Growth** will focus on three pillars: infrastructure—starting with £100 billion of capital investment in 2021-22; skills—transforming Further Education, encouraging lifelong learning through the Lifetime Skills Guarantee, and building an apprenticeships revolution; and innovation—including the government’s significant uplift in R&D investment and the creation of the Advanced Research & Invention Agency to fund high-risk, high-reward research.²⁰
- **Our infrastructure plan** will level up and create opportunity across the country. By 2024-25, public sector net investment will be triple the average over the last 40 years in real terms. In total, around £640 billion of gross capital investment will be provided for roads, railways, communications, schools, hospitals and power networks across the UK.²¹
- **Our Plan for Jobs** will support new opportunities in every part of the country, while our Lifetime Skills Guarantee will enable anyone to acquire the skills to do those jobs, wherever they live and whatever their stage of life.²²
- **Our new £4.8 billion Levelling Up Fund** will invest in local infrastructure that has a visible impact on people and their communities, driving regeneration in areas that have received less investment in recent years, including in Scotland, Wales and Northern Ireland.²³
- **Our Culture Recovery Fund** will help the culture and heritage sector—including the performing arts and theatres, historic palaces, museums, galleries, live music and independent cinema—to reopen and recover.²⁴
- **Our New Plan for Immigration** to control our borders represents a step change in our posture towards illegal migration and the criminals that facilitate it. It will be fair but firm, based on three objectives: to protect better and support those in genuine need of refuge; to deter illegal entry and break the business model of the people smugglers that enable it; and to remove more easily those with no right to be here.²⁵
- **Our Ten Point Plan for a Green Industrial Revolution** will mobilise £12 billion of government investment to create and support up to 250,000 highly-skilled green jobs in the UK, and spur over three times as much private sector investment by 2030, helping us to meet our world leading target of being net zero by 2050.²⁶

Sources and Further Details

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