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Covid-19 Member Update

Wednesday 15 April

Summary

Despite the UK not yet having definitively reached the peak of the pandemic, and a further grim increase in deaths announced yesterday, focus is turning increasingly to how and when the UK will emerge from lockdown. This follows the release of the independent Office for Budget Responsibility (which delivers Budget forecasts for the Government) releasing its predictions about the impact of a three-month lockdown, and a three-month phased withdrawal, on the UK economy. The huge plunge in GDP, followed by a rapid bounce back, has increased pressure on the Government to look to the future.

New Labour Party leader Keir Starmer also joined calls for the Government to publish its plan for how to lift the lockdown, writing to acting opposite number Dominic Raab. Despite supporting the imminent extension of the lockdown, he asked for a plan to be published by next Tuesday, 21 April, so Parliament could scrutinise it, and businesses and individuals could prepare.

The below summarises the day's events, and provides guidance on the impact of the current situation for our members, as well as ukactive's activity.

Government press conference

In response to the OBR's report, Chancellor Rishi Sunak led the Government's daily press conference to discuss the economic outlook of the lockdown, flanked by NHS England Medical Director Professor Stephen Powis and PHE Medical Director Yvonne Doyle. Acknowledging the significant impact on the economy forecast by the OBR, Sunak said he was pleased to see the suggestion the UK would bounce back quickly. Sunak also pointed out the report suggested the action thus far taken by the Government was highlighted as the reason for this.

However, Sunak acknowledged the OBR's report was an illustration of how severe the economic shock from the lockdown would be. The "unprecedented" dip would require action long after the lockdown had been lifted, with Sunak promising that he would "right the ship". He committed to continuing the 'levelling-up' agenda following the crisis.



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Other key announcements included:

- Sunak announced public services have been given an additional £14 billion in support since the start of the crisis, most of which has gone to the NHS. He said the additional Government investment would inevitably lead to a higher cost of borrowing.
- Sunak refused to be drawn on future tax plans to “right the ship” after coronavirus, including the removal of the ‘triple lock’ on pensions as proposed by the Social Market Foundation.
- Further clarifications were made on the Coronavirus Job Retention Scheme, the details of which are outlined below.
- Government grants had now been delivered to local authorities, and one third (£3-4 billion) had been released to businesses.
- There were a number of questions on the Coronavirus Business Interruption Loan Scheme following the continued problems businesses have had with accessing the scheme. In response, Sunak refused to rule out the possibility the Government could guarantee 100% of loans for small businesses, but pointed out it would be the taxpayer guaranteeing liability if loans were defaulted on because of insufficient credit checks.
- Questions were also asked on the continued exclusion of deaths in care homes from the overall figures, particularly given comparisons continue to be made with France which does include care home deaths. All three members of the panel said while they would like to include all deaths equally – the sheer number of care homes and less robust data collection systems made this impractical.
- Yvonne Doyle acknowledged Public Health England could have done things better, and that she wished the body knew then what it knows now about the virus,

Sunak concluded by confirming that Health Secretary Matt Hancock would lead today’s briefing.

Update on furlough and self-employment scheme

As mentioned above, the Chancellor yesterday confirmed extra details on the Coronavirus Business Interruption Loan Scheme and support for the self-employed. First, for those who have ‘furloughed’ staff as part of the former scheme, Sunak confirmed the portal would open on 20



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April. There would then be a few days to conduct fraud checks and administer the funds, with businesses set to receive by the end of the month.

The Government also published [guidance](#) for employees on whether and how they could be furloughed, including clarifications on TUPE transfer, on claiming for zero-hours contracts and casual workers, and contractors under IR35.

In addition, a further update was [published](#) on the Coronavirus Self-Employment Income Support Scheme (SEISS). This included clarification on the meaning of total income and how this was calculated, treatment of losses and averages, and updates on overlaps between SEISS and other income support, eg Universal Credit.

Update on ukactive story on gyms facing legal action

There has been further coverage of ukactive's story that gyms are facing legal action from landlords for not paying rent while they have no income. The *Daily Mail* has included the story in its [article](#) about the prospect of continued closures even after lockdown is lifted. Alongside gyms, representatives from the pub, restaurant and retail sectors are also quoted.

The story has also been picked up in various national and regional broadcasters, and has been met with support from leading business analysts.

Expected announcements

Health Secretary Matt Hancock will lead tonight's press conference from Downing Street, with there likely to be increased scrutiny of the failure to include deaths in care homes as part of official Government figures. There will also be questions on the level of PPE provided to care workers.

The Government is not expected to announce a lockdown exit strategy at this stage.

ukactive engagement with Government

ukactive is in constant dialogue with multiple government departments on additional support available for our members. This includes continued engagement with the Department for Digital, Culture, Media and Sport and the Ministry of Housing, Communities and Local Government, on issues such as rental payments, and discussions with the Department for Education on



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continued support for children's activity providers. Discussions with Treasury over its latest announcements continue.

All insights gained from this engagement will be fed back to members through the daily briefing. Please contact a member of the ukactive team if you have any specific questions:

publicaffairs@ukactive.org.uk

You can find all the latest information on what Covid-19 means for the sector, as well as guidance and support for your organisation in our ukactive [Covid-19 hub](#).