

News in Review

27 January 2021

"Our immunisation programme continues at an unprecedented rate"



Hosting a Downing Street press conference on Tuesday, Boris Johnson said it was "hard to compute the sorrow" after the UK passed a grim milestone of 100,000 deaths from COVID-19. The Prime Minister added, "The years of life lost, the family gatherings not attended and, for so many relatives, the missed chance even to say goodbye - I offer my deepest condolences to everyone who has lost a loved one."

This came after positive news from Health Secretary Matt Hancock on Monday, who confirmed that nearly four in five (78.7%) over 80s have received a vaccine shot. "Tight" supply of the vaccine remains an overriding problem, Mr Hancock stated, but he added that the government was putting the infrastructure in place to enable "the NHS [to] deliver every shot that's made available to it." A further 32 mass vaccination centres opened across the UK on Monday, including one at Blackpool Winter Gardens and another at London's Francis Crick Institute. Boris Johnson commented, "Our immunisation programme continues at an unprecedented rate."

As of Tuesday 26 January, over 6.8 million people across the UK had received a first jab, bringing the overall total, including those who have received a second dose, to 7.3 million. The programme is on schedule to offer a first jab to all those in the top four priority groups by 15 February.

UK borrowing in December hits record high

UK government borrowing reached £34.1bn last month – the highest

December figure on record and the third highest since records began in 1993. Total government borrowing for the 2020-21 financial year has now hit £270.8bn – up from £58.1bn in the preceding year. With businesses struggling under the weight of lockdown 3.0, the furlough scheme continues to pay millions of workers' wages; with expenditure continuing at current rates, the Office for Budget Responsibility (OBR) has predicted that borrowing could reach as high as £393.5bn by the end of the financial year.

Unemployment reaches four-year high

News came on Tuesday that the UK unemployment rate reached 5% in the three months to November, the highest level since 2015, with 828,000 less employees on UK payrolls than in February 2020. Meanwhile, redundancies hit their highest level on record at 14.2 per thousand people between September and November 2020.

On a more positive note, however, Treasury data shows that the £2bn Kickstart Scheme has created 120,000 jobs. The initiative pays firms to offer six-month work placements to Universal Credit claimants aged between 16 and 24, as well as offering grants to firms who open up traineeship and apprenticeship placements for young people.

Brexit: Nissan pledges to maintain Sunderland manufacturing plant

Nissan will continue to produce cars from its Sunderland plant after Brexit, the Japanese car manufacturer has confirmed. As a result of the trade deal

struck between the UK and the EU, continuing UK production will ensure its cars continue to comply with EU trade rules. To qualify for zero tariffs when exporting to the EU, these rules stipulate that 55% of the car's value is derived from either the UK or the EU.

At-home shoppers boost online retail sales

Latest figures show that the online retail sector experienced strong growth in 2020 as non-essential retail remained closed for large portions of last year. Total online retailing values increased by 46.1% in 2020 – the highest annual growth recorded since 2008. Despite this growth, clothing sales slumped by 25%.

President Biden completes first week in office

Forty-sixth US President, Joe Biden, spent his first hours in office undoing his predecessor's policies on the pandemic, climate change and immigration, among others. Meanwhile, Mr Trump now faces his impeachment trial in the Senate, which is set to start next month. If convicted, he could be barred from holding public office in the future.

Here to help

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.