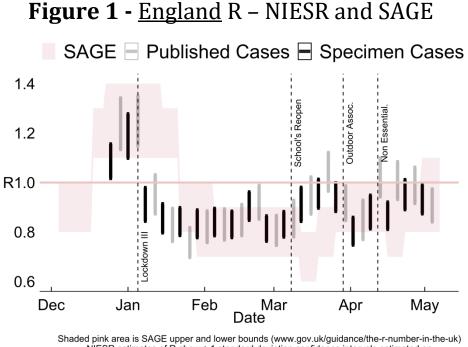


Reproduction Number (R) and Forecasts of New Cases:

R value for England stable in the third week after step 2 re-opening



NIESR estimates of R show ± 1 standard deviation confidence intervals estimated on published and specimen cases. For specimen cases we discard the last 3 days data.

Main points

- We report estimates of the R number and forecasts for new cases of Covid-19, hospital admissions, and deaths due to Covid-19 using data that was publicly available as of 4th May 2021.
- Figure 1 shows that the Reproduction number, R, for England. R is the average number of secondary infections currently generated by an infected individual, and is estimated to be in the range of 0.85 1.00 based on specimen date data until 30th April.
- For Northern Ireland the R number is in the range 0.90 1.05; for Wales, 0.80 0.95 and for Scotland, 0.85 1.0. The regional R number estimates given in Figure 5 show that, currently, London has the lowest R number while the North West has the highest value across England's regions.

• Based on our model, by 17th May when step 3 re-opening is due to restart, we expect the trend value of daily cases to be around 1,200; admissions to be below 100, and deaths to be approaching 0 (Figures 3-5).

"Based on the latest data on new cases, our estimate of the R number for England lies in the range 0.85 – 1.00, similar to last week. This estimate is based on data up to 4th May 2021, three weeks beyond step 2 of the roadmap out of lockdown. Hospital admissions and deaths due to Covid-19 continue their steady decline hinting at the success of the vaccination programme whilst social mobility restrictions have been gradually eased."

Dr Craig Thamotheram

Senior Economist - Macroeconomic Modelling and Forecasting

Results

Figure 2 provides forecasts of daily cases of Covid-19 for the period until end of May and highlights the underlying trend value of new cases to be expected on remaining key dates in the Government's roadmap: stage 3 reopening expected on 17th May. Projections include a correction for the increased testing due to the reopening of schools as well as for the reduced testing during the Easter break.

• Trend values of daily cases are forecast to be around 1,200 by 17th of May, down from 1,300 last week.

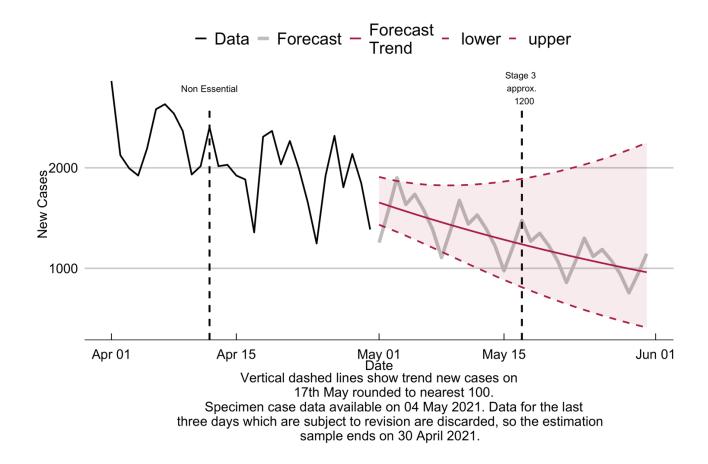


Figure 2 - UK forecast of new COVID-19 cases

4

Figure 3 provides forecasts of daily hospital admissions for Covid-19 until end of May and highlights the underlying number of new admissions to be expected on the key dates in the Government's roadmap: stage 3 reopening expected on 17th May.

• Hospital admissions are forecast to be around 80 by the 17th of May.

Figure 3 – UK forecast of daily Covid-19 hospital admissions

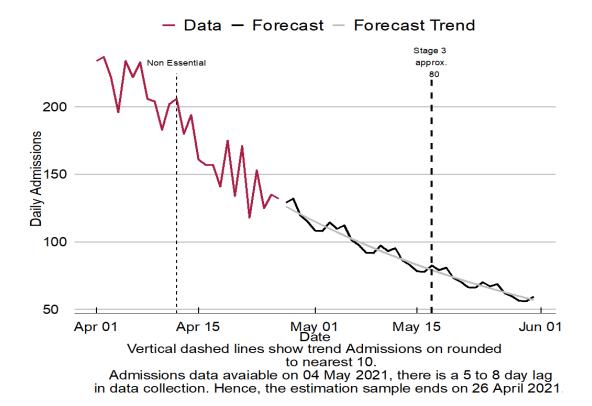
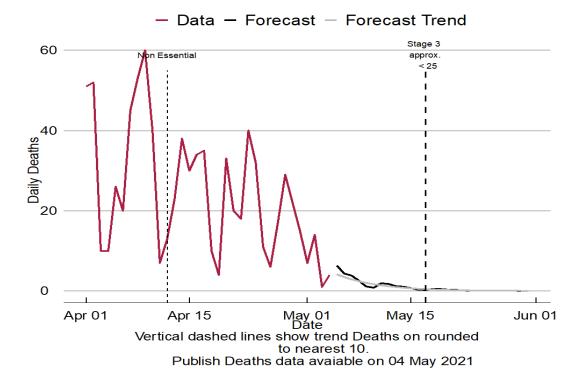


Figure 4 provides forecasts of daily deaths due to Covid-19 till end of May and highlights the underlying trend in the number of daily deaths to be expected on the key remaining date in the Government's roadmap: stage 3 reopening no earlier than 17th May.

• By 17th May when stage 3 reopening is expected to restart, daily deaths are forecast to be nil.

Figure 4 – UK forecast of daily Covid-19 deaths



- Figure 5 provides regional R number estimates based on specimen date data series released on 4th May 2021, controlling for increased testing due to schools reopening. We discard data for the last 3 days due to data revisions in that time window. At the end of our estimation sample on 30th April 2021, regional R number estimates are all below 1 apart from the estimate for the North West.
- Among nations of the UK, Northern Ireland has the highest R number (0.98) and Wales has the lowest (0.86).
- Among regions of England, the North West has the highest R number (1.02) and London has the lowest (0.85).

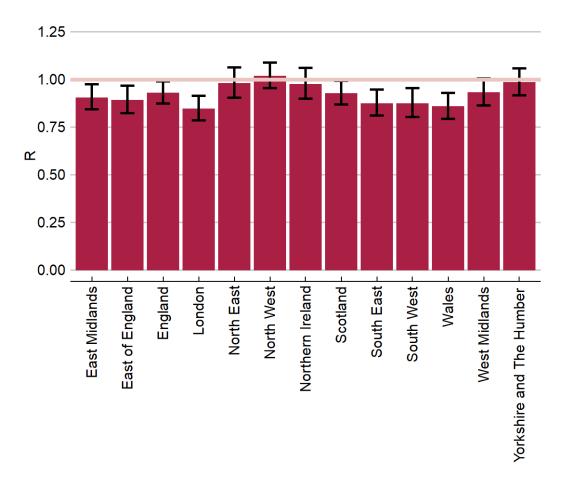


Figure 5 - UK Regional R

Bar chart shows point estimates of R and the ± 1 standard deviation confidence intervals

Background

NIESR aims to set out projections of the future path of the Covid-19 epidemic in the United Kingdom, its constituent nations and the regions of England, based on current policies.

NIESR will be producing weekly updates on Thursdays, projecting new cases and estimating the R number using a class of time series models developed by Prof. Andrew Harvey and Dr. Paul Kattuman of Cambridge University; see <u>Harvey and Kattuman</u> (2020a). The models generate forecasts by extracting changing trends from historical data. They are relatively simple and transparent, and their specifications can be assessed by standard statistical test procedures. The advantage of the time series approach is that it can adapt very quickly to the most recent information and hence produce timely estimates. This flexibility enables the effects of changes in policy, virus mutations and human behaviour to be tracked. The models are data driven and so are different from the structural models used by epidemiologists which rely on assumptions about transmission and behaviour; see <u>Avery et al (2020</u>).

A description of the methods used to produce these estimates and an evaluation of their forecasting performance can be found in Harvey, Kattuman, and Thamotheram (2021).

Data

Data: COVID-19 confirmed cases and deaths data are sourced from https://coronavirus.data.gov.uk

Data on Covid-19 cases are reported by the government by 'specimen date' and by 'published date'. Specimen cases relate to the date when the sample was taken from the person being tested, while published cases relate to the first date when they are included in the published numbers. At the present time we regard the specimen date data as a more reliable indicator of the trend in new cases. The model based on specimen dated observations has better captured the effect of the sharp increase in testing on the day that schools reopened and also suffers less from data errors or revisions.

On 27 March 2021, 850 historic cases were removed due to a laboratory processing error. This affected specimen date data between 23 and 25 March in local authorities primarily in the North East and Yorkshire. The cumulative total number of people tested positive was revised down on 27 March 2021. Historic published date totals have not been changed. The downward correction on 27th March is mixed with the positive upward revisions of cases as more test results are returned over time making it impossible to date

these corrections accurately. Thus, we cannot back out on which day these corrections were made. For published data, we choose to remove 300, 300 and 250 cases on 24, 25 and 26th of March respectively.

Between 2nd to the 5th April significant disruption to cases and deaths for Wales and Northern Ireland occurred. This was corrected on the 6th April but with a 48-hour reporting period. As the last date in the estimation sample for specimen cases is April 2nd we will decide how to account for this change in next week's forecast. We leave published cases unchanged.

On April 9th rapid LF tests that are confirmed as negative by Polymerase Chain Reaction (PCR) test within 3 days were removed. For published cases, we set 9th April as missing as no correction is applied to the historic data by Public Health England.

Caveat

The model relies on historical data and does not incorporate future outlined changes in the underlying environment. Thus, it is important to read the forecasts in this context. For example, the current forecasts make no assumptions about the effect of reopening non-essential retail on increasing transmissions. On the other hand, the effect of the vaccine program will be in the opposite direction.

Authors

Professor Andrew Harvey is Emeritus Professor of Econometrics at the University of Cambridge and a Fellow of Corpus Christi College. He has published over 100 articles and is the author of four books: *The Econometric Analysis of Time Series* (1981), *Time Series Models* (1981), *Forecasting. Structural Time Series Models and the Kalman Filter* (1989) and *Dynamic models for Volatility and Heavy Tails* (2013). He is a Fellow of the British Academy and the Econometric Society.

Dr Paul Kattuman is a reader in Economics at Cambridge University. He has been a Senior Research Fellow at the University of Cambridge Department of Applied Economics, and a lecturer in economics at Durham. He has held Visiting Professorships at Université Paris 12 and Paris-Est Créteil and was appointed Grupo Santander Visiting Professor at Universidad Complutense de Madrid. He was visiting Faculty Scholar at the Kennedy School of Government, and at the Department of Statistics, both at Harvard University.

Dr Craig Thamotheram is a Senior Economist at NIESR. Prior to joining NIESR, he studied Engineering at Imperial and obtained a PhD in Economics at Warwick. He has work experience as a post-doc in macro and financial econometrics.

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Notes for editors

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