Tuesday, 20 June 2023

(10.00 am)

LADY HALLETT: Good morning.

MR KEITH: My Lady, may I please call Sir Oliver Letwin.

SIR OLIVER LETWIN (affirmed)

Questions from LEAD COUNSEL TO THE INQUIRY

MR KEITH: Could you please give the Inquiry your name.

A. Oliver Letwin.

Q. Thank you very much for attending today before the Inquiry. Sir Oliver, as you give evidence, could you please remind yourself to speak clearly into the microphone in front of you, and keep your voice up so that we may all hear what you have to say. If I ask you a question which is not clear, don't hesitate to ask me to repeat it. There will probably be a break mid-evidence during the course of the morning.

You have provided a statement to this Inquiry dated 24 April 2023.

Could we have that, please, on the screen, INQ000177810. Thank you.

The first page is at page 1 there; if we go to page 16, we should see your statement of truth at the end, and you in fact signed it on 24 April, and the contents of that statement are true.

My Lady, may that please be published?

LADY HALLETT: Certainly.

MR KEITH: Sir Oliver, I'd like to commence, if I may, with asking you some questions about the functions that you performed whilst you held the post of Minister for Government Policy between May 2010 and July 2016, and as Chancellor of the Duchy of Lancaster between July 2014 and July 2016.

Essentially, you held the resilience portfolio whilst you held both those ministerial posts. Could you tell us, please, something about that portfolio, why it was divided between those ministerial posts and what the difference was in those ministerial posts?

A. Yes. I should clarify that I didn't become responsible specifically for resilience until some point, which I can't exactly remember, but late-ish, I think, in 2011. So, as I said in my statement, it's from 2011 to 2016 that I was specifically involved.

That was in the context of a rather wide-ranging and unusual role, which began by my taking a large part in the formation of the coalition and the negotiation of the coalition with our Liberal Democrat colleagues, and then in the drafting of the programme for Government, which came out of the two manifestos, and then, in the succeeding five years of 2010 to 2015, the years of the coalition, absolutely endless discussions with

counterparts in the Liberal Democrat Cabinet to keep the show on the road and keep resolving issues.

I was also responsible for monitoring the implementation across the field of our programme for government, and for devising the second programme for government that came along sort of halfway through the coalition, and for sitting on all Cabinet committees across the board in order to have a view of policy and where it was going and how it connected with the implementation and whether there were going to be coalition issues arising from it.

Q. All right.

A. So it was a broad portfolio --

Q. A broad portfolio.

A. -- within which resilience was, therefore, a relatively small part, which has led me to reflect, as you may wish to discuss later, that actually there really ought to be a minister solely devoted to resilience at a senior level.

Q. Well, I was going to ask you, may we take it from the fact that, whilst you were focusing on resilience as part of a wider portfolio of obligations, there was no minister and there has never been at any time a minister whose sole responsibility is emergency preparedness, resilience, response, civil emergencies?

A. There hasn't, as far as I'm aware, and I think that that is an error. I came to that view very gradually, but by the end of my time I was pretty convinced that we ought to move, and had I remained in situ I would have tried, therefore, to move to a model where somebody took that position.

If you'll allow me, I think I should add three other points. One, there was a tendency to learn that lesson in the wrong way. The appointment of a junior minister will achieve nothing, I think, in this domain. It would have to be somebody who's senior and who's close to the Prime Minister, in order to get things done. Because this, in the end, is not about elegant committee minutes and discussions, it's about pursuing things to the end and trying to find out whether things have actually happened and whether they're going to work. That requires someone senior and close to the centre of government to get Prime Ministerial authority behind things, because that's the way things happen in government.

The second point I want to make is that whilst I think there needs to be a group of people who are devoted exclusively to resilience in the sense of preparedness, and they probably need to be separate from a group of people who are ready to service and handle

emergencies as they arise. The minister, in my view, needs to fulfil both of the roles that I was fulfilling very part-time, full-time, but both of them simultaneously.

You learn a lot when you're dealing even with minor crises about how to prepare for other crises, including complicated and major ones, and I think it's by being present in, during, and taking some responsibility for the handling of crises that you learn most about how to prepare for them. So I would keep those two things together.

That was one good feature of my role: because I was involved in dealing with flooding, with Ebola, with a whole series of fuel tanker problems and so on, at least I knew some of the problems that arose when you were facing a real crisis when I was trying to pursue my resilience review.

The final point I would make is this, and I find it difficult to explain this briefly and articulately, so forgive me if I'm not as articulate as I should be, but there's all the difference in the world between discovering that something is the case, shall we say, that the diesel available for back-up in local authorities is all very well for the local authority vans which run on diesel, but not much use for the care

responders who use petrol, and actually getting to the point where there is petrol available. And you don't do that by attending to it on Monday and then waiting a long time; you have to attend to it on Monday and Tuesday and Wednesday and Thursday. That really is very difficult to do if you're doing an awful lot of other things. I tried to do it in the fields that I preoccupied myself with in resilience, but I'm very conscious that I didn't have as much time to do as much as I should have done.

Q. That's extremely helpful, thank you.

May we take it from what you've told us, Sir Oliver, then, that the issue of resilience, of preparedness and perhaps also some of the other areas involving civil contingencies, such as the risk of cyber attack and so on and so forth, was not a formal area which was assigned, if you like, to one or other of the ministerial positions that you held; it was a function or a post or an area that you grew, that you devoted attention to and which perhaps took up a larger amount of your time? It wasn't a formal policy area for which you took responsibility by virtue of one or other of those ministerial posts?

A. That's correct.

Q. All right.

Could you just help us, please, with the differences between the various ministerial positions to which you've made reference. Is the Chancellor of the Duchy of Lancaster a more senior ministerial post than, for example, the Minister for the Cabinet Office?

A. The Chancellor of the Duchy of Lancaster is like the Holy Roman Empire, neither holy, nor Roman, nor empire, neither chancellor nor much of a duchy, and it's just an honorific, an ancient honorific.

A minuscule proportion of my time, perhaps an hour a month, was spent on Duchy of Lancaster business, and that will be the same for any Chancellor. There is a perfectly well-oiled machine that looks after the Queen's lands in Lancaster and does not need to preoccupy a minister.

My real role was as so-called Minister for Government Policy, and actually, really, under that I was simply a jack of all trades, a Mr Fixit, I did what it was that the Prime Minister wanted done, and that was holding the coalition together, making sure that our programme for government was implemented, and trying to fix crises as they arose.

It was really out of the third, the fixing crises as they arose, role that I slipped into resilience and became progressively, as I learned about it, more and

more concerned about our state of resilience -- or lack of it -- and became more and more involved in it, and eventually decided that really I ought to, or somebody ought to spend their entire time doing it.

Q. Whilst you were a minister, was there a position known as Minister for Implementation? We've heard evidence that at some point there was the creation of such a post, and Oliver Dowden, I think, was the Minister for Implementation from 2018 to 2019, but there was no such post in existence when you were a minister, was there?

A. During the coalition Danny Alexander, my Liberal Democrat counterpart, and I were effectively joint Ministers for Implementation. Our job was to make sure that the coalition programme was implemented, and in a coalition, of course, that's a matter of contractual obligation, it's not just a matter of will or desire. So it was vitally important to the sustaining of the coalition that we were confident that that programme was being implemented.

Q. All ministers, by definition, start off, by and large, as amateurs. To what extent did you have to learn on the job in relation to the field of emergency preparedness, resilience and response?

A. Completely. I think I can accurately say that when I began it was entirely new to me. I'd been in

opposition, Shadow Home Secretary, for example, so I had seen some of the issues arise, but that's a whole different thing from actually trying to deal with crises and trying to deal with preparation.

It was when I actually sat in the COBR room and discovered that we were not properly prepared to deal with a fuel tanker crisis or to avert it, discovered that the Civil Contingencies Act emergency powers were powers for having an emergency rather than preventing one, and discovered that it was only through the army that I could actually get someone to organise for the tankers to arrive at the petrol stations in order to prevent the strike being effective and thereby, ultimately, prevent the strike, that I discovered that there was a whole set of problems here I knew nothing about, and that's when I began to learn about them.

Q. Is one of the more difficult features of being a minister concerned with emergency preparedness, resilience and response, that you're necessarily having to deal not just with the arcane world of policy and guidance and the general application of principles but with, to use a word that we have seen many references to, operationalisation? That is to say, having to respond to crises and to civil emergencies, and to have to take practical operational decisions for which

perhaps one may not be terribly well suited or trained?

A. Yes. I mean, first of all, in answer to that, I should say I don't think this is an area where policy matters terribly. Policy matters where there are disagreements about the direction in which some aspect of the country's affairs should go, and your government has a view, and then it seeks to find means of fulfilling that. There are no disagreements here that I'm aware of. Right across the political spectrum we all want to prevent emergencies arising, we want to minimise their impact when they do arise. This is not an issue for argument and debate and policy. There is only one policy, which is: minimise emergencies, make ourselves as resilient to them as we can.

It's all about the operations. It's all about finding out what actually is there on the ground. It's all very well having committees and structures and guidance documents and -- these can come out of your ears without actually knowing that you've got the right things there. You know, you can't -- you can have a guidance manual about PPE but if there's no PPE there, it won't be available.

Q. To what extent whilst you were a minister were documents such as the 2011 influenza pandemic strategy or the risk assessment protocols and guidance brought to your

attention?

A. Well, they weren't, but for a reason which I've described in my statement.

Q. We'll come in a moment, Sir Oliver, to your request that there be a number of reviews and to what the response was. But in order to gain some understanding of the level to which you had to descend, in terms of looking at the guidance and the policy documentation and the protocols and the approaches, the written strategic material relating to how to respond to a crisis, was that the sort of material which would find itself to ministerial level?

A. Typically, it did arrive for blessing at the end of a very long bureaucratic process that had led to its formulation, but in the areas that I was focusing on, as I've explained in the statement, I was not focusing on pandemic flu because I was advised that that was already being very well dealt with, and I delegated that, therefore, to Chloe Smith. You may want to come back to that. It's a matter of regret on my part.

But in the areas I was delving into, proactively, the whole of our critical national infrastructure -- which I believed increasingly, and still believe, is wildly under-resilient -- I was not spending time reading guidance documents and policy documents, I was

spending time with people who were running the telecoms system, the grid, the district network operators, the ports, the airports, the people who ran the supply chains for critical chemicals, and so on, and spending hours with them, hour after hour, in an inquisitorial mode, rather as you're doing with me now, to try to find out whether, rather than all the documents and guidance, they actually had the things in place that needed to be in place to make them resilient.

Q. So how does the system work in a ministerial office, Sir Oliver, in relation to the signing off, if you like, of important strategies, policies or guidance?

So take, for example, during your time in office, there would have been and there were produced a number of risk assessments, generally biennially, and those risk assessments would be drawn up by reference to particular and different risks, and they would be revised and considered by any number of government departments, by external advisers, by Chief Scientific Advisers, by Chief Medical Officers, in relation to health risks, and so on and so forth. That biennial risk assessment would then come to you, as the Minister, and you would be presented with it, and presumably you would be asked to give your assent to its promulgation?

A. Yes, but your description is accurate, that's to say

I was -- I didn't know the details, but I was aware that each one of these risk assessments had been through this awesome process you've described, with any number of experts, and I was, of course, an entire amateur. I mean, I know nothing about the science of the spread of diseases or the science of almost any of the other things that might have come onto the Risk Register. Nor was I expected to be an expert in the science or the professional judgments.

So it was, of course, absurd to suppose that I could counteract or overrule all these experts.

Q. Or even be alive to the particularly difficult doctrinal or practical issues which underpinned the particular document with which you were being presented?

A. Well, I think that I should have said to myself, in retrospect, not, "Are all these experts wrong?" but, "Have they asked the right questions?" Because that is something an amateur can do. Perhaps only an amateur can do that. In a sense you have to be outside to the system, I think, to a degree, to be able to ask that question.

That's why I came to the conclusion gradually that we needed a sort of RED team that was going to ask the right questions, because I didn't even know enough to ask the right questions or to know whether they'd asked

the right questions.

I think, in the case of the critical national infrastructure, by the end I got close enough to the subjects -- although, obviously, I can't run the electricity system and I don't know how the telecommunications systems operate as an engineer does, I did know what questions to ask by the end because I had asked so many questions and seen so many answers that I had begun to suspect the things I wasn't being told. You can't do that for areas that you're not deeply involved in.

Q. Emergencies are, by definition, of course, not business as usual. Is there a case, therefore, for a formal system of training of those ministers who are tasked with the heavy obligation of dealing with civil emergencies?

A. Not only a case, I think an overwhelming case. But that's just part of a much wider need for training, which emerges, I think, extraordinarily from all the papers that you've asked me to review and which I got the sense of gradually anyway, and why I'm so very glad to see in the Resilience Framework document the government has now produced that there is to be an academy. I hope that, rather than just dealing with how to produce guidance and how to write minutes and so

on, will actually be about how to handle emergencies and, therefore, how to exercise for emergencies and, therefore, how to prepare for emergencies, to make sure that you can actually handle them effectively.

Q. Does that include, therefore, by way of exercise or training, enabling ministers to be able to better discharge the functions imposed upon them?

A. Yes. Yes. Can I add one thing, because I hope, my Lady, that this Inquiry will make this point, because I think it's incredibly important: if you're a Minister responsible for anything **a fortiori** resilience but even, you know, really important things like health, defence, for six months, you could have training for the first two months but by the time you're finished your training you're practically finished your job. If you're an official that does a job that's related to the crucial interests of the United Kingdom for 18 months, and you have training, which usually takes six months to arrange and, you know, six months to conduct, again by the time you know you're off.

I, by the end of my time working on these things for five years, with the exception of one or two people in the Civil Contingencies Secretariat who were continuing their role there and knew an awful lot, I kept on coming across officials who knew less than I did, as

an amateur, me as the amateur, because they'd actually been in post for next to no time whatsoever.

So it of isn't just a question of training, it's a question of training and having a system which keeps both ministers and officials in post long enough so they can use the training.

Q. Is that another way of saying that the revolving door aspect of some ministerial appointments and official appointments tends to undermine experience, efficacy and the ability of ministers and officials to be able to do the job with which they're tasked?

A. I strongly believe that it does -- I think that's true as a general proposition, but we're not here to discuss the whole of British government -- in this crucial respect: I think having a minister responsible, whose there right the way through a government, and with officials who are committed to it from beginning to end and, with luck, longer than that, in their careers, is really critical to success.

LADY HALLETT: Sir Oliver, can I just ask: you described the revolving door, and I think we're all familiar with it, across government. Is that because you think there is a trend to have a revolving door, with whatever government, whatever political view, or because there is a revolving door in this particular area because it

isn't considered to be a good career stop?
A. I think probably both, my Lady. I'm pretty certain that the entire structure of the civil service means that you can't really make progress in a career without going through endless different jobs one after another, which I regard as a disaster for the country, particularly disastrous in the case of things that have very long lead times and where learning from experience is critical.

As to ministers, of course the exigencies of our Parliamentary democratic system make it difficult to maintain continuity in every post, but in this particular domain, if we were really taking it with the seriousness we need to take it, I think we would have people who were there right through, and I thought one of the very good things about the way that David Cameron ran this aspect of our affairs was that I was allowed at least to learn, so that by the end I really did know much more than at the beginning.

MR KEITH: Sir Oliver, in your witness statement, you make reference to a specialist committee called the National Security Council Threats, Hazards, Resilience and Contingencies committee, which we believe was commenced around the time, I think, that you became Minister for Government Policy, but it was a committee which was very

much within your brief, because you and David Cameron agreed that there ought to be a specialist unit in the Cabinet Office, which would deal with matters such as horizon scanning, which would feed in to that committee.

Can you recall whether or not the Cabinet subcommittee structure gave as much weight to the issue of hazards and civil emergencies as it did to the issue of threats, national security threats of the type, I don't know, terrorist outrages, CBRNE attacks, the behaviour of rogue states and so on and so forth? Was there equality, do you believe, between the two systems, or was the system that dealt with hazards crowded out to some extent by the focus on threats?

A. I think there is always a danger that threats are more considered in Whitehall than hazards, because there's a huge apparatus dealing with threat. MoD, the Foreign Office, the agencies, security agencies, the National Security Adviser, you know, on and on. Whereas there hasn't been, up till now, though I hope there now will be, with the head of resilience and if the Mann/Alexander suggestions for an integrated management system were adopted, or, indeed, very similar to what the Rycroft review, I now see, recommended in '22, maybe we could create if not equivalent at least a counterbalancing power in Whitehall pushing for

consideration of things that aren't threats.

So I think the answer to your question is that it was overbalanced towards threats.

But may I just point out something else which gets lost in the dichotomy threat/hazard: actually for most of our fellow citizens, for people who were bereaved in Covid or people who were affected by any of the other disasters which have afflicted our nation over many decades and centuries, actually it's the impacts that count and not the causes. Whether a biological agent is released by nature or by a state actor or a non-state actor, a terrorist, whether the whole of our critical national infrastructure goes down because there is space weather or because there is a cyber attack by a malicious party, it doesn't matter from the point of view of the way we prepare to respond and the response we exhibit. It's the impact that we need to deal with on behalf of our people, in particular the most vulnerable people, the people who are vulnerable to that impact. Unless you focus on impacts, you can't focus on the right vulnerabilities, because it's not the cause that causes some people to be more vulnerable than others, it's the impact that causes some people to be more vulnerable than others. Old people may be more vulnerable to some impacts, young people to others, and

so on.

So it's not so -- although I do think it's important to separate between threats and hazards because of this overbalancing towards preoccupation with threats because of the structure of government and the weight of the money, actually I think the most important shift to achieve is a shift from focusing on causes to a shift to focus on impacts and dealing with impacts and preparing to deal with impacts and minimising impacts, and, particularly, minimising impacts for the most vulnerable people in relation to that impact.

Q. Does it follow from what you've said, Sir Oliver, that, going forward, the system for the assessment of risk, for the consideration of response, for the development of resilience, needs in a general sense to focus more on impact as opposed to likelihood or cause?

A. Absolutely, and you introduce an important element that I hadn't mentioned, which is this question of likelihood. I have great respect both for economists and for the Treasury. Genuinely, it's not a snide remark. But there's a terrible danger in treasuries the world over and amongst economists the world over that they're fixated with discount rates and probabilities. So if event X has a low, very low probability of occurring, and is likely to occur a long time away, when

you multiply the probability low by the discount rate high, you come to the answer that it's not worth worrying about it compared to things which are right in front of your nose. This is a very bad mistake because events with huge impacts that are very unlikely and may not occur for many years, if they do occur, will nevertheless have huge impacts. As we've discovered those are, in every sense, human terms and economic terms, incredibly costly.

So I think it's vital not only that we focus on impacts but that we focus on major impacts. That isn't to say we should ignore the minor ones, but actually I think we're pretty good at handling the minor ones. It's the major ones that we're not properly prepared for.

Q. My Lady has procured a copy of a book called *Apocalypse How?*, found, I think, in all good bookshops, but it's your book. Do you say in your book that:

"There has been a failure, by virtue of over-reliance on statistics and probabilities, that the system should focus remorselessly on worst-case scenarios without worrying in the least about how likely these are to occur. This ought to be obvious, but it will seem quite counterintuitive in any established bureaucracy, because bureaucracies are used not only to

cost-benefit analysis of the sort that is so destructive of fallback option planning, but also to the allied pursuit of probability analysis."

So are you saying, Sir Oliver, that the danger -- and it is a trap, of course, into which the country fell -- is of being unprepared for an event which, although it may be less likely, may have colossal impact?

A. Yes, exactly. I mean, my great regret about not having focused on pandemic flu, because I was advised it was being well looked after, is not actually about pandemic flu, I might or might not have been able to improve preparedness for pandemic flu, but that it might have occurred to me, if I had focused on that, that, despite the fact that all the scientists had concluded -- and no doubt they were right -- that there was a very tiny probability, by comparison with the probability of pandemic flu, of some other catastrophic pathogen, it might have occurred to me to say, "Well, okay, there's a tiny probability, but as a matter of fact can we, for a tiny amount of money, prepare properly to deal with it in advance?" And that would be the right question to ask.

Q. Now, you made reference a few moments ago to the reviews that you ordered be carried out whilst you were

Minister, and you made reference in fact to your junior ministerial colleague, Chloe Smith MP.

Could we have, please, on the screen INQ000013404, at page 1.

This is a memo dated 18 January 2012 copied to a number of people, including your private secretary as well as the private secretary to Francis Maude MP and a number of senior officials. It's headed "Minister for Political and Constitutional Reform, Cabinet Office. Briefing for ministerial review of the UK's resilience to pandemic influenza". You will see that the memo concerns a prospective meeting with Anna Soubry MP to review the UK's resilience to pandemic influenza.

If you look at page 3, please, paragraph 12:

"You and Oliver Letwin will be writing to the PM with your findings (we will discuss with you when and what form this takes), but this may be some months from now. Consequently, if you have particular concerns with the adequacy of existing plans (or DH's knowledge of them), we suggest you use the meeting to commission DH to update you on progress in a few months."

So was this a memo, in fact, to your ministerial colleague, but it concerns, does it not, the series of reviews that you instructed be done into various aspects of civil contingencies?

A. Well, we should distinguish. There were those areas that I didn't commission, I undertook the review. So with the critical national infrastructure, I didn't have meetings with other departments of the sort that's represented here. I spent, as I say, many, many hours drilling down into the detail with the actual people operating the systems in question. Because my officials in the Civil Contingencies Secretariat at the very beginning said to me, "This is the area of our national life that we think is least well prepared", and so that -- I didn't have an infinite amount of time at my disposal, I decided to focus on that and drill down into it. So I didn't ask other people to do that, I did that. Very personally, sat there hour after hour.

Q. Right.

A. Then, of course, there was all the rest of our planning, pandemic influenza, yes, but also all the sectors. There is another memorandum in the dossier here which is similar to this but relates to the care sector, for example. In all of those sectors, I asked Chloe Smith to hold a series of much less detailed meetings, assuming that the departments in question, under the lead government department model -- which you may want to discuss in a moment, I'm not a great believer in, but nevertheless -- would be concerned with

preparations in those sectors, and her job was simply to interrogate them and make sure that they were on the job.

Q. All right. Could we please have a look at page 6 of this document. There is a reference to -- maybe back one page, thank you very much.

In the middle of the page, there is this heading:

"UK surveillance of other diseases with pandemic potential."

So that is to say non-influenza diseases.

A. Yes.

Q. "The applicability of pandemic influenza planning to other scenarios is good, and continues to develop."

Obviously the passage of time demonstrated that that was not an entirely accurate prognosis. This field of pandemic influenza planning and planning for other scenarios, was that one of the areas in which you were able yourself to carry out a review?

A. No --

Q. Now, you're shaking your head. For the transcript, can you --

A. I'm sorry. No, it was not. I was advised, as I say, that that was under good control, as reflected in this official briefing, and therefore I made the mistake of not looking into it myself --

Q. Can you -- could you please tell my Lady a little bit more about the way in which you asked whether this was an area which required your personal attention and how the response came back to the effect that this was an area in which we were particularly well prepared and therefore did not require your personal assistance.

A. Yes. And incidentally -- I mean, I will of course answer that -- I should start by saying I don't exonerate myself because actually I should probably just have paid no attention whatsoever to this advice. Nevertheless, I did.

What happened was this. When I took on the job, it was, as I say, in the context of the fuel tanker crisis, and I was dealing with things minute by minute. When I had to time to draw breath and to consider what had happened during that un-crisis, because we'd managed to avert it, and what it showed about lack of resilience planning, I thought I really should begin a set of systematic reviews to find out whether there were other areas, like fuel delivery, where we were not well prepared for crisis. So I asked the CCS, how shall we do this, and what --

Q. Is that a reference to the Civil Contingencies Secretariat?

A. The Civil Contingencies Secretariat, I'm very sorry.

And I was, of course, aware that the National Risk Register or the National Security Risk Assessment or, you know, whichever of these documents one refers to, put pandemic flu high, both on impact and on probability. So it was an obvious thing to put high on my review, and I said to them, "Perhaps we should begin with this". And they said, "Minister, that would be a mistake, because there's going to be a full exercise" -- which became, I think, Exercise Cygnus.

Q. Indeed.

A. "There is already a desktop exercise planned" -- which I think was called Cygnet -- "there is an indefinite amount of attention being paid to this by the Government Chief Scientist and his team" -- which I think was true -- "there is a great deal of attention focused on it from the Chief Medical Officer" -- which I think was true as well -- "and it's a risk which is" -- I hate to use this word, but it was used frequently in Whitehall -- "owned by the Department of Health, and you'll really just be reinventing the wheel, why don't you focus on critical national infrastructure, which is much less well investigated" and I followed that advice.

As I say, actually it's absolutely not an excuse for a minister, alas, because you can always ask the following question, you don't have to accept the advice,

you can say, "Well, okay, I hear that advice, but actually I still would like to look at it", and that is actually what I should have done, and it's a matter of lasting regret I didn't, but I didn't.

Q. Therefore, Sir Oliver, does it follow from that that between the time when you asked that question and the time that you left ministerial office, so essentially 2011 to 2016, there was no effective or at least no effective detailed ministerial consideration of the area of pandemic influenza planning or associated non-influenza pathogenic planning? This was an area which you yourself played no role in supervising?

A. The last part of your question is absolutely right, I myself did not. I just checked from time to time with the Chief Scientist and the Chief Medical Officer that they were content it was progressing, and had Chloe Smith doing what you see from these documents.

So far as that part of your question is concerned, therefore, the answer is yes. But it doesn't follow from that there were no other ministers who were dealing with it in detail. Of course the health department contained ministers who were detailing with it, as I understand, in detail -- you're talking here --

Q. But you were the --

A. -- Cabinet Office --

Q. You were the minister for resilience, preparedness and --
A. Yes.
Q. -- in a broad sense, civil contingencies?
A. Yes.
Q. Yes. Could we have, please, INQ000013415 on the screen, at page 2. Thank you.

This is a memo dated 28 January 2013. It's a memo from the Civil Contingencies Secretariat, and it concerns the review of UK resilience planning, which was being conducted by -- but not, as you've described, by you.

At the top of the page there is a reference to -- perhaps we could go back one page, actually, it might be a little easier. Then down to the bottom of the page:

"On the issue of countermeasures for pandemics, the challenges of ensuring a proportionate response early on in a pandemic, when knowledge of the virus was limited, were noted."

Then this right at the bottom of the page:

"MPCR questioned whether the stockpiles of countermeasures provided protection [then over the page] from other, non-influenza pandemic disease risks."

So the issue is plainly raised there as to whether or not the stockpiles for influenza pandemic would be

sufficient for other non-influenza pandemic disease risks.

Was that a question or an issue which was ever brought specifically to your attention?

A. No. I obviously received both the briefing and the account of the meetings that Chloe Smith had, so I will have seen these documents, and I -- to that extent it was brought to my attention and it looked as though, as you can see from these documents, there was a consensus in the Department of Health and the Health Protection Agency that this was -- I don't know how to put this, it's so ludicrous in retrospect, but -- under control.
Q. The evidence may show, it's a matter entirely for my Lady, that there were a number of strategic flaws in the United Kingdom's approach to pandemic planning, as it turns out. You've mentioned one of them already in your witness statement, a long-standing bias in favour of influenza and diseases that had already occurred, in particular the 1918 H1N1 Spanish flu pandemic.

There may also have been a failure to appreciate properly that viruses were unpredictable, with variable characteristics, and therefore the next pandemic may very well not be an influenza pandemic but be a non-influenza viral respiratory pandemic with just as catastrophic consequences, because of high

transmissibility and deadly severity.

There also appears, in the risk assessment process, to be a failure to consider multiple scenarios. There was an approach by which there was a cause agnostic approach, that is to say a failure to consider the specific nature of a possible future pandemic, and, because the worst-case scenario was focused on, that there may have been a tendency to stop and think: well, does there really have to be 820,000 deaths in a worst-case scenario for a pandemic influenza? What about trying to stop it before it gets that bad? So preventing the terrible consequences from ensuing as opposed to dealing with the terrible consequences once they have ensued.

Those are all aspects of arguably a strategic failure to think through the issues.

You've referred in your witness statement to the need, therefore, for groupthink to be eradicated, to be challenged, for RED teams to be put into place to challenge orthodoxies, to ask the questions that have to be asked.

What did you mean by the reference to RED teams and the need to challenge groupthink?

A. I not only will answer that but very much want to answer that. But may I just, before I do, say that I doubt

that the right analysis is that there was a set of experts who got it all wrong. I think it's more likely that what happened was that the fact that -- it goes back to the impact versus cause issue and the likelihood versus impact issue. I suspect that what happened was that the scientists and the medics all came to the conclusion that the most likely thing was pandemic flu, and that other things had a much lower chance of success in attacking us, and that therefore attention should be focused on pandemic flu.

If they had been focused on impact rather than on cause, they might have observed that it was very likely that, whatever particular virus it was that attacked us, it would require to be tested, to be traced, to have PPE associated with it, to have vaccines developed for it and so on, which are dealing with the impact, and, as you say, minimising it in advance, trying to avoid having a catastrophe, or minimise the catastrophe, rather than simply handling it.

I think that that was the mistake, that was the strategic error to which you refer, and I think if we were to reorient our resilience planning towards impacts and to being prepared for them, we could make much better progress. Indeed, in some respects, even at the end of my time, for other reasons to do with Ebola,

for example, I pressed for the Vaccine Network, which Mark Walport then took forward with Chris Whitty, and it did happen, and I think was a very helpful thing, although it wasn't developed specifically for the virus we were attacked by, because I knew nothing of it, but I did see from Ebola that there was a need to have a much better system for producing vaccines.

I think it's very clear, if you look at the results of Exercise Alice, which went on the very end of my time and was implemented, or perhaps not very well implemented, after my time, actually it had looked at the question of the scaling of testing, which Matt Hancock refers to in his evidence, or of a lack of ability to scale testing, and it also looks at the question of the roll-out of tracking data.

So these things were known, but they were not being attended to because people were not thinking about impacts in general, they were monomaniacally focused on pandemic flu. This is exactly why I think a RED team is needed.

Q. What do you mean by a RED team? How, in future, can orthodoxy be challenged effectively within the confines of a bureaucracy, in the confines of a government system?

A. It can't be challenged within the confines of the normal

bureaucratic system, because officials are just like the rest of us, they would like their careers to progress, and if you're a member of a team and you start being a frightful nuisance, it is not a career-enhancing move. So they need to be separate, they need to be accountable to a different person than the person who is responsible for the thing that they're meant to be enquiring about.

Whether, as I refer, they be completely outside government, or whether they be within government but somehow sufficiently insulated so that their careers can progress notwithstanding causing trouble for colleagues in government, is, I suppose, a matter for choice.

But the crucial thing is that there be -- this is not expensive, certainly -- just a smallish number, 20 or 30 people with the relevant expertise -- because one of my problems in all of this, obviously, was, as you rightly described, that I was an amateur. This should be done by professionals. So you want someone in the RED team who, all right, may not be as expert as the Government Chief Scientist, but nevertheless is a plausible, credible scientist, a credible medic, a credible industrialist and so on. And if they're sitting there and they're saying, "Well, hold on, you haven't asked this question", it becomes very difficult not to start thinking about it. And at the moment there

is no such mechanism in place.

Q. So you mentioned earlier the possibility of a new statutory resilience institute, and we'll come on to that in a moment. How would such a body, whilst providing challenge to groupthink and performing the RED team function which you've described, how would it, though, be able to exercise the political control, or how would it exercise the political influence to which you made reference earlier, in terms of being able to be near the Prime Minister and to make sure that what is to be done is done, is carried out, is put into effect?

A. Well, I'm delighted you mention the Prime Minister, because I don't think it's a matter of political influence or political power or the power to do things. It's a matter of whether this RED team reports quite directly to the minister of resilience, if there is one full-time proper, and the Prime Minister.

Q. Right.

A. If they do, things will happen. If they're siphoned off into reporting to some elaborate set of internal committees and bureaucracies, nothing at all will happen, it will be absorbed and re ... it will re-emerge as mush. It has to go directly to the people who can then say, "This can't be business as usual, the RED team has pointed out we're missing something, what is going

to be done about it?"

Q. You refer to mush. In November 2015, you wrote an article called "Five principles for getting things done in Whitehall":

"Principle 1: volume is usually in inverse proportion to effectiveness ..."

And you say this:

"... the longer the document (be it legislation, strategy or a simple submission) the less effective it is for advising ministers, communicating with the public or getting whatever result you're looking for."

Whilst you were a minister, what view did you form about the profusion of paperwork, the sheer number of policy documents, guidance documents, strategy material, and so on?

A. I formed the view that it was highly counterproductive. You will have seen my letter to the Prime Minister establishing the -- notifying him that I was establishing the horizon scanning for viruses after Ebola that he and I had agreed. You will have observed it's a page long. It was an absolute rule from me -- I wrote endless memoranda to the Prime Minister in that role, as you might imagine. It was an absolute rule of mine that if I couldn't get it on one page, the maximum it would ever be is two, because I knew he was very busy

and I wanted him to be able to find out what, in essence, I was trying to say to him.

On the other side, I was unfortunately, as part of my role, responsible for receiving every public-facing document produced by Her Majesty's Government. They all came across my desk. Some of them were many times longer than the material warranted, and I started a process of putting, in three jars, green, yellow and red tags, that my private office very kindly arranged for me, so we could keep track of how many of these documents were ludicrously overweight and incomprehensible. It was about a third, a third, a third: a third were pretty good, quite short and clear; a third were not very good; and a third were totally catastrophic. And on the catastrophic ones I sent them back and I asked for them to be produced at much lesser length. In most cases I got back something less than a quarter of what I'd started with. It then often required further work to get it to be clear what the person was saying and we could sometimes then get it down to half of that length.

There is a huge overproduction of large documents. Mann and Alexander are pretty eloquent about this, and they're right.

Q. Yes, although their own report, of course, did weigh in

at a monstrous 321 pages.

A. It's too long, but otherwise it's right.

Q. My Lady has heard evidence that if you happen to be a local resilience forum and tasked with a primary duty of responding locally to -- the duty of preparing for emergencies and then also responding to them, you would have to be familiar with Cabinet Office-produced documents such as the *Concept of Operations* document, at 80 pages, the *Revision to Emergency Preparedness* document, at 591 pages, multiple versions of a document called *Emergency response and recovery*, there are national resilience planning assumptions, engagement with and guidance for emergency response, JESIP paperwork, local risk management guidance, humanitarian aspect guidance, Department of Health guidance, Pandemic Influenza Strategic Framework guidance, and so on and so forth.

Do you believe that there is a case for a radical rewrite of the available policy strategy planning documentation?

A. I don't think there is just a case, I think it obviously needs to happen, but if it happens without having a well organised central team, under a head of resilience who has direct access to the Prime Minister and is parallel to the National Security Adviser, it will be wasted

effort, because it will just dissipate through endless consultations and committees all round Whitehall and the simplification exercise will become a complication exercise.

So what's critical is to have a group of people who are determined to produce clarity, and then set them to the task of producing clarity out of what is currently much too unclear and much too verbose.

Q. Now, Sir Oliver, may we turn just to some specific issues and areas on which I want to ask you for your views.

LADY HALLETT: Before you do, Mr Keith, I'm sorry to interrupt.

Going back to the point you have just made about the head of resilience and a specialist team, given the point you made about somebody having the ear of the Prime Minister, would your head of resilience be an independent person with an independent agency or would it be somebody ministerial like you who had the ear of the Prime Minister?

A. Well, there are various models around the world, and some of them do have an agency, and of course we have agencies for some purposes, and that is a possible model. I don't personally favour it, because I think there is a risk that in this absolutely crucial

function, central to the purposes of government as a whole, it's very important that the person heading the work and the people working under them have direct access to the Prime Minister, and that's much more easily done from within the centre of government than anywhere else.

I don't think it's just a question of having a minister, however, I think it needs to be, as is foreshadowed in the framework, the Resilience Framework just published by Oliver Dowden, a head of resilience who is an official who is parallel in stature to the National Security Adviser and has, as the National Security Adviser has, direct access to the Prime Minister.

If you had that combination of a full-time senior Cabinet minister for resilience exclusively and a head of resilience parallel to the National Security Adviser, I think you would find that it worked, as I worked with Jeremy Heywood when he was Cabinet Secretary on the policy implementation front. He and I would meet for an hour or so each day and we would go through the various questions of what had or hadn't been implemented, and I would ring ministers and he would ring permanent secretaries, and often enough by the end of the day we had actually managed to get something

done, and that's what you need as a sort of pincer movement. You need those people then to be able to walk into the Prime Minister's office without too much ado and without having to schedule it weeks off and say, "We've hit a problem here, we need your help in commanding that something be done". That I think would be the most effective model, but I understand that there are people who think that -- and there are reasons why they might think that -- an independent agency would be better, less captured by the system and so on. I don't discount that possibility, I just think it's less perfect.

MR KEITH: In your statement, you refer to, you say this:

"... working relationships ... are ... at least as important as any structures, systems, processes, plans and policies ..."

The system doesn't appear to have changed dramatically between 2011 and 2020. Can you recall, therefore, what the position was in relation to the nature of working relationships with, firstly, regional bodies and, secondly, the devolved administrations from the viewpoint of a United Kingdom minister in the field of civil contingencies?

A. Well, by the time I was dealing with resilience issues, the government offices of the regions had been

abolished.

Q. Indeed, in 2011.

A. Yes, I think fairly early in 2011 it must have happened. Therefore I can't comment on relations with them or how effective they were. I'm very sympathetic to the view that is taken in some of the papers I have now read as a result of the Inquiry, including Mann/Alexander, that it would be helpful to have a regional tier co-ordinating local resilience forums.

I hadn't thought of it before reading these papers, but I see now that that might well be a useful thing.

I can, of course, comment on relations with the devolved administrations. Not actually in relation to the resilience planning that I was involved in, because when it came to the critical national infrastructure and trying to make it more prepared for various kinds of impact, that was an England exercise, because the critical national infrastructure is a devolved matter, and I would not have succeeded in doing the kind of inquisitorial work that I was doing with the English providers of the structures, the infrastructure, in the devolved administrations.

However, when it came to handling specific crises, so for example flooding, Ebola, the fuel tanker crises, we did have repeated involvement of the devolved

administrations, senior representatives of the devolved administrations, appearing in COBR, usually by video, and I had offline pretty continuous conversations with, for example, John Swinney, who was then I think the Deputy First Minister in Scotland, and I have to say that although, as you might imagine, there was some friction with the Scottish administration when it came to constitutional issues about independence and union, there was no friction when it came to dealing with these -- that I could observe -- when it came to dealing with these issues.

I -- and indeed -- indeed with -- I was at Brighton when the Brighton bomb occurred, I'm not a lifelong devotee of the IRA, but I had a perfectly sensible conversation with McGuinness about doing things in Northern Ireland in the context of these crises.

My experience was you could do business with the devolved administrations perfectly well on the basis of establishing some degree of personal trust and limiting the scope of the discussion specifically to something where we both had an equal interest; and they as much as I wanted to protect their populations.

Q. Resilience is, as you've already observed, a devolved issue, but pandemics don't recognise borders and, therefore, would you agree that any proper system of

emergency preparedness and response must have in place structures for dealing with other territories, other nations in the United Kingdom, where there will have to be a joined-up response?

A. Yes, I think that's particularly true with biological agents.

Q. Indeed.

A. Although, for example, in relation to the electricity grid, there is, of course, a deep interconnection with Scotland, and indeed, while we're at it, with France, and therefore I had discussions with the devolved administration in Scotland and with French counterparts when I was concerned with the protection of the grid.

So, yes, you have to involve all those who are involved, and if you're looking at impacts, you'll quickly discover who is involved, and the impact of a virus is very likely to be nationwide or indeed, as we saw in this case, global.

Q. But your answer, Sir Oliver, appeared to indicate that the connections that you forged with the devolved administrations were based more on ministerial inclination and your own personal involvement than on a formalised system of committees or some body which would allow the devolved administrations and the UK Government in Westminster to be able to liaise and

plan properly and fully. Was there not in place that formal structure? Did the system in fact depend too much on ministerial inclination?

A. I don't know what I think about that. Half of me wants to say you're right -- well, sorry, you are factually right, there was not such a formal system -- and half of me wants to say that, you know, that sounds like a gap.

The other half of me says actually you can create any set of formal institutions you want, but if everyone arrives ready to come to blows, you won't get anywhere. If you don't have any formal system but you have good personal relationships, you can probably get it done pretty well informally. So --

Q. Well, isn't the answer that you don't need an overly ossified system, but you need a system by which everybody can expect to play their part and can envisage attendance, and they can attend and do what needs to be done, alongside good personal relations?

A. That would be the ideal, I agree.

Q. All right.

LADY HALLETT: Just before Mr Keith goes on, Sir Oliver, you mentioned working relationships with Northern Ireland and Scotland; did the same apply to Wales?

A. I didn't, as it happens, have -- oh, sorry, there was one occasion when I did have relationship with the Welsh

administration, which is in relation to flooding, which happened to involve them as well as England. And I think the same applied: they were present at relevant COBR meetings by video, we had a perfectly working relationship. As it happens, in the other cases I was dealing with, Wales was not a particularly material issue.

MR KEITH: Also in your statement you address the issue of the need for exercises and you state that you believe that the United Kingdom Government should regularise the practice of simulating responses to a variety of whole-system emergencies by carrying out at least two such large-scale simulations in each Parliament.

Putting aside the resource implications, and putting aside the undoubted fact that such exercises are difficult and complex things to arrange, why would exercises with such regularity have a demonstrably beneficial impact? I mean, if there is an exercise, for example, every five years, and recommendations and actions which flow from the exercise are properly implemented and acted upon, would that not be sufficient for the foreseeable future, or at least for the next five years, before having another exercise?

A. In a particular domain, I think my answer to your question is yes. That is to say, if every five years we

exercised for the impact of an unknown but ghastly virus or bacterial agent, and we did it properly, and we learned the lessons in the sense not of writing great volumes about it but actually getting down to the business of correcting the things that had emerged as not in place, that would be pretty good. That would be much better than we're likely to do at the moment.

But if you had, for each domain, one exercise every five years, you'd be having an exercise every -- well, it depends how many domains you create, but at least every year. More frequently than I'm recommending, in other words. My two years suggested that, for a particular domain, you probably wouldn't have a repeat for ten years, because you'd want to deal with the impacts of virus, you'd want to deal with major impacts on two or three different elements of our critical national infrastructure, you'd want to deal with major events of flooding. You know, there are various impacts that you want to look at and exercise for. So a regular programme would involve quite a long period between the time when you did one, and hopefully implemented the recommendations of it, and then gone on with the next one on that same subject.

Q. In your statement you suggest wholesale, whole-system emergency exercises, at least two in each Parliament --

A. Yes.

Q. -- which would tend to suggest a greater frequency than once every five years, and of course if it were focused only on one contingency, you would end up with an exercise in each contingency every two years --

A. Yes, but I wasn't suggesting on one contingency --

Q. Ah. Across the board?

A. Across the -- so there are lots and lots of minor emergencies. I don't think you need to have whole-system exercises about them. There are identifiably -- you could argue five, you could argue ten, but it's sort of not less than five and not more than ten -- major kinds of whole-system emergency that might affect the UK, leaving aside their causes.

If you exercise for each of those every five years, you would end up with more than two a Parliament. If you exercised each of those every ten years you would end up with roughly two a Parliament. That was what I was thinking --

Q. All right. You referred earlier to Exercise Alice and you supposed that perhaps the recommendations from Exercise Alice had not been or maybe they had been properly implemented, it was in fact after your time, and particularly in relation to Exercise Cygnet and Exercise Cygnus.

The recommendations and the actions which flow from an exercise appear, to a very large extent, to be left to the government of the day to give effect to, to the ministers, to the civil servants, and of course they're not all automatically put into place.

Is there an argument that there needs to be a fresh, a new process by which we may be assured that all lessons and recommendations -- which, by necessary implication, are sensible ones, from an exercise which challenges the country's emergency response systems -- are put into place and are seen to be put into place?

A. Abundantly, yes. Some of this is ground we've covered, in the sense that one of the things you need is for, in my view, an external RED team in a resilience institute that would be keeping track of whether these things had been done, and simply couldn't be stopped from doing so.

The second thing we haven't covered, but is covered in the government's resilience and framework and is also in the Mann/Alexander report and various other documents, which is that there ought to be regular reporting to Parliament that can't be evaded.

Q. All right.

A. Not because the Parliamentary debate in itself will shed much light, but because the duty to report to Parliament will cause the whole system to worry about whether it

has actually implemented these things.

But the third element we have dwelt on, dealt with, which is that there needs to be a sufficiently well-armed body inside government, or a separate agency, one or the other, which pursues these questions remorselessly and at a high level and brings to the attention of the Prime Minister and, if there is one, the Minister of Resilience, if there are things which were the product of a particular report, of a particular exercise, which have not been implemented. If you had that triple architecture, I think you would stand a very good chance that most of the stuff would be implemented pretty well.

LADY HALLETT: Are you moving to a different topic or the same one?

MR KEITH: I was going to conclude with one final topic, a very short one, my Lady.

LADY HALLETT: A matter for you, whichever you prefer.

MR KEITH: Shall I continue and then conclude it.

It's obvious that resourcing is a most difficult subject, and one that is, of course, highly politicised, and it forms no function of this Inquiry, of course, to advise or direct that anything be done in terms of resources. Resources are a matter of fact and funding levels are a matter of different fact.

There would appear to be a problem, therefore, insofar as decisions about future funding and future resources have to be left to the politicians to decide. But would the creation of this new architecture to which you refer, a new resilience institute, be able to at least address in part that problem, because it could make recommendations as to how money should be spent, and therefore that would give the politicians the ability to be able to more transparently and more openly make the decisions about future resources?

A. Absolutely. I see that as one of the major roles of the resilience institute. It's extremely important to realise that most of the steps that really most need to be taken to improve resilience in most fields do not cost very much.

The problem has not been that there wasn't money available to stockpile PPE or that we couldn't have afforded to have a scale-up process for testing. These are minuscule amounts in the context of £150 billion a year of health spending. One can argue till the cows come home about whether it was or wasn't a good thing to constrain government expenditure and put the finances back in order. I would argue it was, others would argue it wasn't --

Q. Shall we not go there, Sir Oliver.

A. Exactly, leave that wholly aside. Under any dispensation that is remotely plausible to the United Kingdom, we could afford to do perfectly easily all of the things that would most protect us against the biggest impacts of these major whole-system emergencies for tiny amounts of money.

The problem is identifying what they are and forcing the money to be spent when the PAC and public opinion and the media and so on are all too likely to say: the money's been wasted, you have been holding this stockpile for the last 15 years, we haven't had an emergency, what are you doing? Then it doesn't matter whether it costs £50 or £50 billion, because they all sound the same, and then "It's a waste, it's a scandal".

We have to change the culture so that it's accepted that consciously spending money that we hope will never be used is a good thing to do if, in an emergency, it would save us a huge amount of effect on human beings and our economy.

That change of culture is what I hope the resilience institute could begin to achieve, the reports to Parliament could begin to achieve, the fact of having the resilience head sitting right next to the Prime Minister would begin to achieve.

Once you accept that this is a fundamental feature

of government, and well worth spending a little bit of money on, then you've changed the culture and much will follow.

Q. Does that analysis apply equally to the field of public health improvement which, I think it's generally accepted, is a far more expensive matter than the narrow area of emergency preparedness, because in the context of a pandemic, a health crisis, a more resilient public health structure is obviously desirable but is itself perhaps very much more expensive?

A. I don't think that most of the things that are most important in that domain are very expensive either by comparison with the vast sums under any dispensation we're going to be spending on health. It's typically much, much cheaper to prevent things, whether in the health domain or any other, than it is to deal with the after effects. We've just spent, I don't know what it is, the Inquiry will probably find out, £350 billion, £450 billion on the effects of Covid. We're talking about minuscule amounts by comparison with that, and it's well worth investing in advance.

MR KEITH: Sir Oliver, thank you.

Questions from THE CHAIR

LADY HALLETT: Two short questions from me, Sir Oliver. You seemed to be disparaging about the lead

government department model.

A. It's inevitable that the expertise on transport will lie in the Department for Transport and health in the Department of Health and so on. I don't -- in that sense, I don't decry the idea. But when we have relatively minor problems. I found myself, for example, at one stage involved in what was not trivial for the people involved but was not a large-scale disaster, of individuals who were trapped the other side of the Channel or, you know, further afield because an airline was collapsing and they couldn't get home, which is a minor emergency. The Department of Transport was perfectly well equipped to deal with it, they knew what they were doing, I sat with them but it was not necessary to convoke some great, you know, cross-governmental arrangement.

So the idea that those kinds of risks should be handled by individual departments I think is perfectly sensible. There are, as I say, not causes but impacts that are so big that they are definitely rightly described as whole of system, you know them when you see them, and we could list them. For those I think the idea that one department is in charge is mad. Because they're not going to be in charge when you get to the response. The system we were operating already meant

that they were not in charge in -- would not have been charge in the response, because in response we would have gathered in COBR, we would have been chaired by the Prime Minister, we would have -- and I think incidentally the XO and XS committees, that Michael Gove established originally to deal with Brexit -- to my mind the only advantage of Brexit for Covid -- were useful, would be useful, in handling any future cross-government whole of system emergency.

So it's very clear to me that you can't describe these major risks, whole-system risks, as owned by a department, and therefore they need to be attended for by a central entity that keeps its focus on that and learns continuously and has a corporate existence.

LADY HALLETT: Thank you.

The other question that I had was that you mentioned support for the idea from Mann/Alexander about regional tiers of resilience fora. I'm no lover of bureaucracy, as you may have gathered from some of the things I've said, Sir Oliver, but if you have a regional layer, why aren't you just imposing yet another structure? Somebody's got to manage the structure, call the meetings, handle the minutes. Why doesn't it become an unnecessary layer of bureaucracy on top of what is already quite a complex system?

A. Well, it could do, but -- perhaps it would help if I illustrated this not from my Cabinet Office experience but from my experiences as a local MP in West Dorset.

The LRF, the local resilience forum, in Dorset is composed of people from Dorset, county council, police, and so on, and, you know, if there's a problem at the village of Piddlehinton, this is fine. But if there's a widespread problem around, shall we say, the flooding of the southwest, as unfortunately happens reasonably frequently, first of all the ambulance service is not organised on a county basis, it's organised on a regional basis. Secondly, rivers, inconveniently, don't follow county boundaries. So if you want to manage them, you've got to manage upstream and downstream, and you have several counties involved. It would be tedious to go on enumerating.

LADY HALLETT: I get the point.

A. There are various respects in which, for mid-level crises, regional co-ordination is necessary. It's then just a question of whether you set it up ad hoc, which is what happens at the moment, or whether you have it there permanently.

My argument for having it there -- and a small, I mean, I'm talking about five people or something, but a small group of people being there permanently, is that

then as well as bringing together the relevant people to handle the emergency when it arises, they could be involved in the planning in advance, and so when they got to the emergency they'd know about it, the co-ordination.

LADY HALLETT: Thank you very much.

Well, I think that's all the questions, is it?

MR KEITH: There are no Rule 10(4) questions, my Lady.

LADY HALLETT: You have been extremely helpful and it's been very interesting, Sir Oliver. Thank you very much indeed.

THE WITNESS: Thank you.

(The witness withdrew)

LADY HALLETT: I shall return at 11.40.

(11.24 am)

(A short break)

(11.40 am)

MS BLACKWELL: My Lady, may I call George Osborne, please. Would you like to take the oath.

MR GEORGE OSBORNE (sworn)

Questions from COUNSEL TO THE INQUIRY

MS BLACKWELL: Is your full name George Gideon Oliver Osborne?

A. Yes, it is.

Q. Thank you for the assistance that you have given to

the Inquiry thus far, Mr Osborne, provision of your witness statement and also documents, and thank you for coming to give evidence to the Inquiry today.

Please keep your voice up and speak into the microphones so that the stenographer can hear you for the transcript.

You were Shadow Chancellor from 2005 to 2010, then Chancellor of the Exchequer from 2010 to 2016, and First Secretary of State from May 2015 to July 2016.

Your witness statement is at INQ000187308. It's on screen now. Please can you confirm that that is your witness statement and that it's true to the best of your knowledge and belief?

A. Yes, it is.

Q. Thank you.

My Lady, may we have permission to publish it?

LADY HALLETT: You may.

MS BLACKWELL: Thank you.

You can take that down.

Before we start, Mr Osborne, I understand that you want to say a few words.

A. Well, I just wanted to express my heartfelt sympathy to all those who lost a loved one during the pandemic, and for those who feel things could have been done differently, I hope the Inquiry gets to the bottom of

what those things might have been.

Q. Thank you.

I'm going to ask you questions about whether or not the Treasury had a plan for a pandemic, and if so what that was, and how the Treasury contributed to the government's planning for a pandemic.

I emphasise from the outset that this is not a discussion or a debate about the merits or otherwise of the government's fiscal policy or indeed the imposition of austerity. We will touch upon the effects of a sustained period of austerity in the United Kingdom, but only insofar as it relates to the state of the country's preparedness and resilience when Covid hit.

In order to put your evidence in context, Mr Osborne, the Treasury is the government's economic and finance ministry, it maintains control over public spending and sets the direction of the United Kingdom's economic policy. As Chancellor, you were the minister of the government in charge of the Treasury.

There are other important entities in the financial architecture that we will touch upon, including the Office for Budget Responsibility, which you set up during your tenure as Chancellor.

In your witness statement, at paragraphs 7 to 11, we

don't need to look at it, I'm going to attempt to summarise it, when you came to power immediately after the 2008 financial crisis, you imposed an economic policy intended to improve the United Kingdom public finances, and meaning that the United Kingdom was in better financial shape to face the pandemic when it hit.

You say in your statement that your handling of the Treasury allowed the government to fund the furlough scheme and the Bounce Back Loan Scheme and other pandemic fallout, that you made reforms to financial services which meant that there wasn't a banking crisis as a result of the Covid pandemic, and that you invested in research and development, importantly vaccine development, which was important when Covid hit.

Is that a fair summary of your explanation as you give it in your witness statement of the policy that you implemented?

A. Yes, it is.

Q. Thank you.

So that gives us an understanding of how you believe the Treasury, under your watch, contributed to the government's preparedness for a pandemic. But I want to explore with you the plan that the Treasury had for a pandemic.

You say at paragraph 16 (sic) in your witness

statement that, for the risks where the Treasury is allocated as a lead department, it develops scenarios and determines the potential impacts and likelihood of the risk in question. That was the case prior to the Covid-19 pandemic.

So does it follow, Mr Osborne, that where the Treasury was not the lead government department, it didn't develop such scenarios?

A. Basically, yes. So, if I may elaborate, I mean, there are certain crises for which the Treasury is, clearly, directly responsible.

Q. Such as a banking crisis?

A. A banking crisis, an economic crisis, a run on the pound. Sadly our country has experienced many of these over the decades, and the Treasury is clearly the lead department, to pick up on the conversation that you've just been having with Oliver Letwin --

Q. Yes.

A. -- for those crises. But when it comes to other kinds of crises that might affect a government, the Treasury is a contributor to the whole of government plan that usually another department leads, in the case of pandemics the Department of Health.

Q. The Department of Health, yes. So we'll look in a moment at how the Treasury assisted the

Department of Health, being the lead government department for pandemic preparedness. But before we do, could we please display on the screen page 8, paragraph 20 of your witness statement and read through it together, please. You say here:

"Between 2010 and 2016, [Her Majesty's] Treasury, and therefore the Chancellor, contributed to cross-government preparations for civil emergencies. This contribution broadly fell into four categories:

"a) The monitoring, assessing and managing of economic and fiscal risks;

"(b) Leading responsibility in government for monitoring and responding to risks to the stable operation of the UK financial system, learning the lessons of the financial crisis ...

"(c) Setting budgets and applying spending controls and/or conditions for government departments -- although noting that it was ultimately for the relevant Secretary of State to decide how to allocate their budgets; and

"(d) Preparing [Her Majesty's] Treasury's own corporate structures to enable effective crisis management, working closely with the Permanent Secretary and other senior officials, again learning from the ... financial crisis ..."

So, summarising those four points, you believed that the Treasury's job was to plan for economic and fiscal risks, a stable operation of the United Kingdom financial system, setting the budgets and applying spending controls, and also preparing the Treasury's own corporate structures to enable effective crisis management?

A. That's right, yeah.

Q. Yes. Whilst this may well be a form of pandemic planning, these are all purely economic risks and matters which fall directly under the Treasury's remit in any event; these are the Treasury acting on business as usual, aren't they?

A. Well, the only thing I would draw attention to is that most whole-country crises, of which a pandemic is an obvious example, but, you know, a devastating military attack, you know, a catastrophic civil emergency of some kind, would probably lead to a second crisis, which is an economic or financial one. And indeed in the spring of 2020 -- you know, I wasn't in government, but it was clear for everyone observing government that they were not only dealing with a health emergency but they were dealing with an economic emergency and a financial emergency, and a huge amount of effort -- successful as it turns out -- was put into

trying to stabilise the markets, making sure the banking system didn't fall over.

So I think, you know, it's quite hard to think of, you know, crises on the scale of Covid that would not also have the potential to tip into a fiscal crisis and/or a financial crisis. Fiscal being about the ability of the government to fund itself, financial being about the ability of the banking system to cope with the crisis.

So I think, you know, unlike other things which you might look at, the -- you know, most major civil crises have the potential to tip into an economic and financial crisis.

Q. All right. But given how central the Treasury is to the functioning of the United Kingdom and its economy, do you agree that there appears to have been no planning for external shocks which would have a major economic impact? In other words, no specific pandemic planning, no plan in the Treasury?

A. Well, you know, I've been following the evidence given to this Inquiry --

Q. Yes.

A. -- with interest before appearing here, and you've covered this territory, I'm happy to cover it myself. But clearly, you know, the UK, as indeed I think is the

case with most western democracies at the time, has an influenza plan, and the Treasury had done some work on what the impact of that would be, and it's a hit to GDP, there's an expected period when of the workforce might be absent from work for an week or two, and there is -- you know, tragically in that case there would be a high mortality rate.

The Treasury basically had the structures to deal with that because there are already sickness benefits, there are already structures available for companies to pay people who are not working who have the flu, and in the exercises that had been done before I came into office there were some very specific supply chain issues that had been established, if there was an influenza pandemic, around things like the impact on the travel industry and the like.

Given what subsequently happened, very small-scale.

Q. Yes.

A. You're absolutely right that there was no planning done by the UK Treasury or indeed, as far as I'm aware, any western treasury for asking the entire population to stay at home for months and months on end --

Q. Yes.

A. -- essentially depriving large sectors of the economy, like hospitality, of all their customers for months and

months to come.

Q. That could have been done, couldn't it?

A. Well, you're completely right, but if someone had said -- and I know that is absolutely core to what this module of the Inquiry is looking at, if someone had said, "You, the UK Government, should be preparing for a lockdown that might last for months", then I've absolutely no doubt the Treasury would have developed the schemes that it did subsequently develop, around the furlough, the Covid loans and the like.

What I would say, you know, in defence of the officials I worked with, who were some of the most hardworking and dedicated public servants I've ever come across, was that in 2020 it turned out to be fairly easy and rapid to be able to put those support systems in place. Not all the other areas we're going to, I'm sure, cover around the health service, but the actual economic support schemes, like furlough, were designed by hard working Treasury officials in -- under a pressure situation, very quickly and put in place.

So yes, planning could have been done for an furlough scheme in advance. I'm not clear, observing it as, at that point, just a citizen, I'm not clear that that would have made a better furlough scheme than the one we actually as a country saw.

Q. All right. Well, taking other examples than lockdown and furlough, using, for instance, a plan to consider the economic output required for self-isolation or the Covid Business Interruption Loans or any economic effect of a mitigation action, none of that was done. There could have been planning, joined-up planning between the Department of Health identifying what the mitigation actions were being considered and the Treasury then coming in and dealing with a worst-case scenario, a middle-case scenario, and assessing whether or not the proposed mitigation actions were economically worthwhile.

None of that sort of planning took place, did it?

A. Well, you're right that there was no planning in Britain or indeed, as far as I'm aware, in France, Germany, the United States or anywhere else --

Q. Well, we're dealing just with --

A. Well, it's important because I think if you're challenging -- you know, the phrase that's come up here -- groupthink, you know, it was not a groupthink unique to this country. There was no assumption that you would ask the population to stay at home -- or not ask, sorry, mandate that the population stay at home for months and months on end and what that ... and so there was no planning for the -- for a lockdown.

Q. Whose fault was it that there was no prior thinking that that could take place?

A. Well, I don't think it's particularly fair to sort of apportion blame, because, you know, the entire scientific medical community -- again, you know, hard working individuals with the best of intentions -- you know, were not, were not elevating this particular possibility of a coronavirus that would have this level of contagion, have asymptomatic patients, and that, you know, the Treasury or indeed the education department or the criminal justice system should pay attention and come up with some plans for if that was to happen.

If we had -- I mean, I think, if we had -- sorry to -- you know, if you look then at the planning for the influenza pandemic -- and of course we don't know in practice whether -- had that come into contact with reality, how it would have fared, but it's clear that the Treasury, and indeed the rest of government, responds to reasonable requests by saying yes. You know, "Please stock antivirals."

"Yes."

"Please have in place advance vaccine purchasing agreements."

"Yes."

"Let's have some money set aside for call centres being set up."

"Yes."

Q. That is very different to sitting down with the Department of Health and working out whether or not there would be such a catastrophic effect to a lockdown that it would have to be considered, and the benefit of considering that prior to the incident hitting is you're not making these decisions on the hoof?

A. What I would -- what I would observe now, just as, you know, a citizen who very much wants this Inquiry to come up with some good answers, is I don't think we still know the answer to some of those questions.

You know, I don't want to jump ahead for this Inquiry, but should the schools have been locked down in the way they were? Even now after the Inquiry -- after the pandemic we don't know the answer to those questions, or certainly I don't, and maybe the Inquiry can get to the bottom of that.

Q. They're certainly worth asking --

A. But, you know, they are absolutely -- absolutely critical questions about balancing, you know, the life expectancy of a 80-year old versus the educational opportunities of an 8-year-old, incredibly hard questions, and it's not absolutely clear to me now that,

as a country, or the rest of the world, knows what the answer to those things is.

So I think it's -- you know, the idea that all of this could have been sort of forethought, I don't think is the case. What I think is certainly the case is that if the -- you know, if the expert community and governments had anticipated that there could be a pandemic that was not an influenza but was another form of respiratory disease, and had characteristics that weren't like influenzas, like asymptomatic patients and so on, then clearly we could have done certain things, which hopefully I'm sure this Inquiry will get around to recommending, to prepare for those things in advance, like stockpiling more PPE.

But I've absolutely no doubt that as Chancellor -- and indeed any of the Chancellors before me or subsequent to me, if they'd been asked to provide a budget for stockpiling PPE, £10 million, £20 million, £30 million, whatever it would have been, as Oliver Letwin was pointing out, these are very small sums in the overall scheme of the government budget, and I'm pretty certain, like, we said yesterday, everything we were asked to fund with an influenza pandemic, we would have said yes to those things too.

Q. Should those questions have been asked?

A. Well, I'm -- you know, I'm -- with hindsight, yes, but -- I mean, the one -- I would say the one thing a Treasury can do -- and I think this is a very powerful statement from the chair of the OBR, in the witness evidence that I was shown, is -- you know, he says, Richard Hughes, in the absence of perfect foresight, fiscal space may be the most valuable risk tool.

Above all as a country, whatever hits you, you need to be able to respond, to throw, in this case, large amounts of public funds at the problem, without it leading to the thing I mentioned earlier, the fiscal crisis or the banking crisis that makes either the situation very much worse or, indeed, just removes the option of funding -- I mean, poorer countries in the world were not able to afford lockdowns. Poorer countries in the world were not able to provide loans for businesses to stay in operation.

Q. All right.

A. So, you know, this is not some academic question. And indeed in our own country in the last 12 months, we saw in the autumn of last year, with the funding crisis for government debt, that this is not some abstract problem for the UK either. You know --

Q. No, no --

A. -- if you can't fund yourself, you cannot spend

£340 billion on Covid support.

Q. Well, you're going back, with respect, to the issue of funding. The questions were based around the lack of --

A. Sure.

Q. -- preparation and the lack of planning.

You've raised --

A. No, no, just -- sorry -- I would say that part of preparation and planning --

Q. Yes.

A. -- is, as an economy, to have flexibility to deal with whatever the world's going to throw at you.

Q. But that's only part of it, isn't it?

A. Of course.

Q. And even recognising the questions that need to be asked is not a plan. Once those questions have been identified, there then has to be planning for the practicalities of what might take place.

I just want to go to the statement of Richard Hughes, please, as you mention him. He is the chair of the Office of Budget Responsibility, as you say. His statement is at INQ000130270.

If we could go to page 5, please, and look at paragraph 6(d) of the witness statement.

Whilst we're waiting for that to be put up on the screen, you'll be aware of the evidence that Mr Cameron

gave to the Inquiry yesterday, that in his view, and indeed since he was instrumental in bringing into being the national security committee and with the security adviser supporting it, he believed that only a whole cross-government response to a pandemic and to these huge catastrophic risks was suitable and was going to work.

Do you agree, Mr Osborne, that unless the Treasury is involved in proper joined-up thinking with the other lead government departments, then there is a piece of the jigsaw missing and it is not a cross-government response?

A. Yes, I do agree with that, and, I mean, institutionally the Treasury is involved in every government decision, because decisions can't come to the Cabinet, for example, until the Treasury has given its sign-off. So the Treasury, uniquely among the government departments, is already in the weeds of many, many decisions across government. But obviously the nature of that involvement and the nature of the co-operation is incredibly important and, you know, I listened with great interest to what my former colleague Oliver Letwin was saying.

I'd make one observation to the Inquiry, unfortunately not all ministers are like Oliver Letwin,

with the kind of self-starting capacity to check everything and chase everything, and you can't build an entire system unfortunately around a future supply of Oliver Letwins.

Q. No. That's a shame.

A. It is.

Q. Looking at the document that we've got on screen, then, this is, just to remind ourselves, from Richard Hughes, the Chair of the Office for Budget Responsibility, and he says this:

"While it may be difficult to predict when catastrophic risks will materialise, it is possible to anticipate their broad effects if they do. The risk of a global pandemic was at the top of government risk registers for a decade before coronavirus arrived but attracted relatively little (and in hindsight far too little) attention from the economic community."

I'm going to pause there. Do you agree with that statement?

A. Yes, I do, with --

Q. We can take that down.

A. -- as he points out, with hindsight.

Q. Yes.

A. It's not just the economic community, obviously, that doesn't give sufficient attention to the -- you know,

the possibility of a coronavirus pandemic, it's all sorts of other communities, including the health community.

Q. Yes.

A. So I think there is -- you know, your line of questioning is completely correct to -- because it -- in my view, you're trying to get to the point, which is -- sorry, I shouldn't be anticipating what you say, but you're saying: why didn't we plan for a lockdown? Why didn't --

Q. I am.

A. Right. And the truth is we didn't plan for a lockdown. No Treasury did. Before me, after me, no Treasury as far as I'm aware in the rest of the western world. The influenza pandemic was not going -- did not pose the same economic planning challenges that coronavirus subsequently did, because in an influenza pandemic lots of people get sick, there's, you know, tragically a mortality rate, and you have to deal with that, but people are off work for one week and then they come back to work. They're not off work for months and months and months -- or not -- well, not off work but absent from the workplace for months and months and months. There are not whole sectors of the economy, like airlines that don't have anyone flying on them, or restaurants or pubs

that don't have anyone visiting them, so --

Q. No, and there is clearly a difference, isn't there --

A. So there's a massive difference. So I think, you know, on the influenza pandemic planning, the Treasury -- I mean, it was -- actually the work was done before I arrived in office by the previous government, but they'd made an estimate that it would hit the economy at around 3% of GDP, they'd made an estimate about how many people would be sick over a six-month period, they had done some planning to make sure -- and indeed during my period in office, there was planning to make sure that the banking system and the financial system could cope with the expected absenteeism of people having flu at home.

Q. Yes.

A. It's completely different to what actually happened in 2020/2021, where for months and months on end no one was at work.

Q. No, but if the --

A. No one was at work in the workplace, I should -- obviously people were working remotely.

Q. If the analysis that you've just performed in the witness box had been undertaken prior to Covid hitting, then the Treasury would not have been flying blind in having to make the decisions and give the advice that

they did. Why did that not happen?
A. Well, because no one in -- no one said to us -- I've said this actually in my witness statement, in hind -- no one said to us there could be a health pandemic that is not influenza which could -- for which the likely response is you're going to have to shut down the economy for months and months on end. So that was not elevated to us as a health risk. And obviously the Treasury, not trying to second-guess all the, you know, health experts -- and this is not -- I'm not disparaging the health experts, who I worked with very closely in government. It's just, it doesn't seem to me, you know, in all the documentation I've read, everything I've seen in the rest of much of the world, that anywhere else in the world people are saying, "You've got to prepare for this thing". And obviously the entire world is caught out by what has happened. And indeed, I don't actually -- it's an interesting question, which is only entirely sort of unknowable, would we all have gone into lockdown if China had not locked down in January or February? I think the Chinese lockdown is what gives the rest of the world the idea of a lockdown, and it's the overwhelming of the hospital system in northern Italy that leads all western governments to reach basically the same conclusion, which is: we've got to do

what the Chinese have done in order to try and preserve our capacity in our emergency wards.

I wonder, but it's unknowable, that if we had done a kind of tabletop exercise in 2011/2012 --
Q. Yes.
A. -- that we would have come to the conclusion you could lock down the entire population, whether that would have even been a feasible policy option, as it turned out to be.
Q. Well, we'll never know because it was never done, was it?

We asked the Treasury to provide us with any plans, pandemic plans, and evidence of what in fact was done in the time that you were Chancellor, and Catherine Little, who was the Treasurer's second permanent secretary, has provided a witness statement which I know you will have read, Mr Osborne.
A. Yeah.
Q. In it she says that because the Treasury doesn't hold direct responsibility for pandemic preparedness, that is at the door of the Department of Health, we should ask them for any pandemic preparations and to see whether they have any records of any pandemic preparations including the Treasury.

So we have been provided with plans such as they

existed, and they are appended to Catherine Little's statement, the ones that remain with the Treasury.

The only material which the Inquiry has been furnished with post-2010 is a project to fund a call centre and purchase antibiotics, both in 2012, and requests dealing with the funding of the pandemic flu clinical countermeasure Tamiflu.

Other than those, held within the Treasury there are no plans, no reaction to any of the Department of Health mitigation proposals, and nothing specifically relating to any pandemic threat. Do you accept that?
A. Well, what I would accept is that there are -- I would say the items you cite are examples of -- to my knowledge, 100% of the requests made of the Treasury to fund things that would help deal with an influenza pandemic are funded. And you gave the examples there. There is also a whole set of planning that goes on during this period to deal with banking crises and endless, you know, exercises which I took part in and structures with us and the Bank of England and the Prudential Regulation Authority.
Q. But we're talking about pandemic planning.
A. So pandemic, I think, you know, that would have been part of the thinking, which is: look, if there's a crisis, you know, can the banking system cope? But

there is not -- you know, we've -- well, I don't want to repeat myself, there's certainly, there is not planning for a coronavirus pandemic.
Q. Should there have been a plan, a blueprint, some sort of playbook from the Treasury containing strategies and plans that could have been turned to and considered when something like the pandemic occurred?
A. Well, with hindsight, yes. But as I've said, I question whether in 2011, 2012, 2013, if someone had come to us and said, "Right, there's going to be a coronavirus pandemic and we're going to ask the whole population to stay indoors for three months", I wonder in 2011, 2012, 2013, whether anyone would have thought that was a plausible plan. I mean, it turned out to be one, but after other parts of the world had started doing it.
Q. Right. If there had been a series of papers, a series of levels of consideration given to different scenarios dealing with different assumptions, so whether what was coming down the line might be systematic or asymptomatic, how quickly it was likely to reproduce as a disease, then in advance of Covid hitting you would know, as Chancellor, which economic levers would need to be pulled and how best the Treasury could support the mitigation actions of the Department of Health. And the problem with not having that thinking taking place some

time before the pandemic hits is that, as I've said before, the result of that is the Treasury's acting on the hoof?

A. Well, I don't think that's entirely fair. So, first of all, you know, the Treasury is by its nature -- you know, it's not a big delivery department. It has around a thousand individuals who are, you know, exceptionally capable civil servants who can deploy their talents and abilities to different policy problems as the world throws them. You know, in the last two years they've certainly had to deal with the Ukraine and energy supplies in the way that, you know, the Treasury would not have had a big, standing capability to deal with before, but that's one of the big strengths of the British Treasury.

There are definitely, you know, following your line of questioning, things that we could have done if this kind of threat of a coronavirus pandemic had been identified in advance, so we could have -- I'm making sort of, you know -- sort of I think straightforward observations, like we could have stockpiled more PPE, because we wouldn't have -- we might have anticipated that the whole world would want to get hold of this material and it was only being produced in a certain number of factories on the other side of the world, and

the US government was doing everything to get hold of it, and so we could have stockpiled more of that. You know, for example. We could have maybe looked at things like having more respirators in hospitals than we would normally carry in the health service, but that was not identified as a particular need.

I think the -- you know, the sort of broader question of -- I don't want to repeat myself, you know, would we have anticipated the lockdown? I just don't know the answer to that. All I know is that when it came -- when the actual debate came in March 2020, there was a lot of uncertainty in our own country about whether it was the right policy response and whether the population would accept it as a policy response.

So I wonder, ten years in advance, whether we, you know, would have resolved those questions.

The one thing I'm sure of is, you know, there's no point having a contingency plan you can't pay for, and absolutely central to all of this is the ability of your economy and your public finances to flex in a crisis.

Q. The OBR, mentioned it a few moments ago, is an organisation that you implemented during your time in office, and part of the assistance that it gives to the Treasury is the preparation and presentation of fiscal risk reports. Can you explain to us what those are,

please?

A. So the OBR was created very shortly after I came to office, it gave an independent assessment of the public finances, and it's not just -- I think it's important for people to understand, it's not just another think tank, with a sort of -- another set of finances -- sorry, another set of forecasts. These are the government's forecasts. There's not some other set of government forecasts. In other words, the forecasts for GDP, for unemployment, for tax revenues and so on are independently produced but they are the official government forecasts, and that is the central role of the OBR.

To do that it is privy to secret information in government. So it is privy to the budget decisions -- I gave eight budgets -- it knew what was in the budget weeks before the general public did, or, indeed, weeks before members of the Cabinet would know what was in a budget. So it's a very important institution at the heart of government. And we sought to add to its capability by asking it to undertake essentially assessments of potential risks to the UK and what impact they would have --

Q. Fiscal --

A. -- on the public finances -- well, they were issues

like -- I think, you know, they looked at everything from a no-deal Brexit to climate change to all sorts of, you know, things that might, you know, have an impact on the UK, and what the fiscal consequences of that would be. So the actual crisis was not a fiscal crisis, it was what was going to be the cost, basically, of these various things that they looked at.

Q. There were business as usual risks, as they defined, weren't there, and then there were also one-off events recognised and reflected in their risk analysis? In July of 2017, the OBR produced as part of its report this statement:

"On top of the business as usual risks, there could be one-off events that generate demand for additional health spending such as a large-scale outbreak of disease, for example an influenza pandemic, which the Cabinet Office considers to represent the most significant civil emergency risk. Long-term systemic cost pressures could also arise from sources such as an increase in antimicrobial resistance."

So there was some recognition in the risks that were identified by the OBR of that which is contained in the National Risk Register?

A. Yes, that's right. I think -- I mean, I'd left office by this point -- I think the OBR actually tell us that

they had considered doing the influenza scenario planning but in fact they switched their resources to looking at a no-deal Brexit scenario instead.

Q. Right. Well, my question for you on this topic is this: does it surprise you, given what I've just read out, to know that, despite there being an acknowledgement of the influenza pandemic being the most significant emergency risk identified by the National Risk Register, that it -- the pandemic -- did not appear as a risk on the fiscal list?

A. Well, I think -- I mean, I don't know if you are taking evidence from the OBR, oral evidence, but, I mean, they -- they made their own decisions about what they thought were -- part of their independence was to make their own decisions about what they thought they should look at. I imagine the government at the time would not have wanted them to look at a no-deal Brexit scenario, for example, so it's incredibly important they're independent and made those decisions.

So you'd have to ask them that question.

Q. All right. Well, do you accept -- I appreciate you're not in office anymore, but perhaps you will accept from me -- that by July 2021 the OBR had changed its approach to risks, particularly those identified in the National Risk Register, in two ways: firstly, there was a broader

focus in its report of three major risks, rather than 97 individual risks, and one of those three major risks that is now covered in great detail is the risk of a pandemic; and, secondly, there appears to be much more joined-up thinking now between the risks identified by the OBR, the fiscal risks, and those identified in the National Risk Register? So they have adapted and learned from --

A. Yes.

Q. -- what happened during the crisis?

A. No, that's absolutely right, and I think they specifically in that case are looking at what happens if there is a coronavirus strain that the vaccines aren't work -- effective against. So yes, absolutely, but of course -- you know, look, I would say, you know, what it points to is, look, try and put in place the right machinery. You know, I wish this Inquiry, you know, every success in trying to anticipate what we could do in the future for different crises, but the truth is we're not going to be able to anticipate every crisis that hits the United Kingdom over the rest of our lifetimes, and therefore having, you know, a strong OBR, you know, a Treasury with a capacity to come up with quick policy making, central government machinery that can respond quickly to -- you know, that is also

important. You know, that's also important as well as trying to anticipate specific crises that you can specifically plan for.

Q. Can we put up, please, the witness statement of Sir Mark Walport, which is at INQ000147707, and go to paragraph 86 at page 33.

Given what you've just said, Mr Osborne, about the fact that not every eventuality can be predicted or planned for, I'd like your view on what Sir Mark says here at paragraph 86.

"Every national emergency has knock on effects on citizens' lives beyond the immediate impact of the emergency itself -- and there is always the possibility that the 'cure' for the specific emergency in terms of the policies and actions directed at stemming the primary damage causes harmful 'side effects'. In the case of a pandemic, lockdowns and quarantining, closing international borders and other restrictions to travel, closing of institutions such as schools and businesses all have serious adverse consequences. This raises important questions for policy makers about how to balance direct harms from the pandemic infection against the adverse consequences of interventions, singly or in combination."

That statement highlights, does it not, the

importance of a department trying its level best to anticipate not only what's coming down the line but also what is going to be the effect of the mitigation actions that might have to be taken?

A. I mean, yeah, I mean, this -- you know, I know Mark very well and have worked with him, you know, this goes, to my mind, the heart of the, you know, very difficult question that the government of the day had to wrestle with, and any future government will have to wrestle with, which is, you know, what is the -- what are the costs and benefits of dealing with the health problem, the spread of the disease, versus the impact of closing a school? I had school-age children at the time of the pandemic. You know, closing the court system, so that people don't get their trial. You know, locking down prisoners in prisons. You know, all sorts of other things that, you know, had a really --

Q. Yes.

A. -- damaging impact, and, you know, you go to the heart of very difficult sort of societal questions, of which frankly I don't -- you know, you can produce any amount of economic analysis of what's the, you know, benefit of, you know, controlling coronavirus for a day and shutting a school for a day, but I think in the end they come down to essentially kind of human societal

judgments of what are the things we value, and the truth is, you know, different human beings will value different things. Some people will say the education of the child is more important than, you know, protecting older patients in, you know, our care homes. But that -- I mean, that -- ultimately we have democratic governments that are accountable to the general public in order to try and make those very difficult decisions.

If this Inquiry can help any future government, I -- I'm not sure, my Lady, if I'm allowed to say this, but I personally think of this, your Inquiry, which I strongly support -- if you can come -- if you can give some kind of guidance to answering that question, it is the single most useful thing this Inquiry can do for any future government, which will be faced with very difficult questions, like the government was faced in 2020.

Q. Are you suggesting, Mr Osborne, in the answer that you've just given, that it was not worth the Treasury attempting to engage in any significant planning because the decisions have to be made when the pandemic hits?

A. No, I'm -- the Treasury did not engage in the planning because no one had anticipated that you would have to -- or you would have the option of, or it would be something you should consider, locking down the economy

in order to deal with an asymptomatic non-influenza respiratory pandemic.

Q. Which is an answer you've already given.

May I suggest that had the Treasury been interested in engaging in pre-pandemic planning, then it would have taken a bigger part in the two exercises that took place during your tenure and just after you'd left.

Looking at the reports into Exercise Alice that took place in February of 2016, and indeed was an exercise dealing with the outbreak of a coronavirus, the Treasury wasn't even present. In Exercise Cygnus, which was delivered shortly after you left office but, as we know from yesterday, planning for which commenced in 2014, although the Treasury is recorded as being present at that exercise, there is no evidence whatsoever of any participation or of any evidence of any lessons to be learned.

Is that the sort of action that the Treasury could have taken in order to engage itself with these important exercises looking at what the result and the reaction of the government would be in the outbreak of these sorts of diseases?

A. Well, I -- you know, this is territory that the Inquiry has covered and we've covered a bit in the evidence, I think the Treasury was very engaged in drawing up

an influenza pandemic plan. I think those exercises were kind of operational exercises in how that plan might actually be put into practice in hospitals and other, you know, facilities, in which there wouldn't be a sort of particular role at that moment for a Treasury policy maker. The Treasury being, as I say, a department of policymakers rather than a delivery department, so it wouldn't have been directly affected by what the delivery services of government had to do in an influenza pandemic. You know, and there was a general -- the Treasury had signed off, indeed I had signed off on the 2011 influenza plan in which the Treasury had -- as you can see from the material, in 2009, had assessed the economic costs, had identified a couple of specific issues, but essentially was -- you know, said: okay, it's a 3% hit to GDP but we're not going to have widespread sectoral impacts which we need to think of or we're not going to have to design some system to pay people to work from home.

Q. All right. Do you agree, Mr Osborne, that by the time Covid-19 hit, the consequences of austerity were a depleted health and social care capacity and rising inequality in the United Kingdom?

A. Most certainly not. I completely reject that. I would make two points. The first of all, it's not surprising

that the biggest economic crash that Britain experienced since the 1930s has an impact on Britain and on poverty and on unemployment and on people's life chances. That's unfortunately what happens when your country experiences such a massive economic shock as we experienced in 2008/9.

The -- what flows from that is a whole set of things, and one of them is seriously impaired public finances, which you then have to repair. That is what we set about doing. I would say if we had not done that, Britain would have been more exposed, not just to future things like the coronavirus pandemic but indeed to the fiscal crises which very rapidly followed in countries across Europe such as Spain, Italy, Greece, Ireland, Slovenia, all across the continent. Indeed, at one point there was a question mark over whether France itself would experience a fiscal crisis. So all across the continent other countries were experiencing problems of being unable to fund themselves on the international debt markets. As I point out, in the autumn of last year Britain went through this briefly, for a couple of weeks, so this is not some kind of academic problem that doesn't materialise, it's a very real problem. And if we had not had a clear plan to put the public finances on a sustainable path, then Britain might have

had -- experienced a fiscal crisis, we would not have had the fiscal space to deal with the coronavirus pandemic when it hit seven years later, and indeed, as Mr Cameron pointed out yesterday, the example in many of those countries that did have those crises was there were real cuts in health services and other public services that went far beyond what the UK experienced or, in the case of the NHS, actually, budgets went up in real terms.

Q. Do you agree that during your time in office the state of the social care system became worse?

A. I'm not sure I would accept that. I would certainly accept that there are rising pressures that -- including during my period in office, on the social care system. They are --

Q. All right, well, can we ask you --

A. Yeah, but they are driven by the fact that Britain has a rapidly ageing population.

Q. Yes.

A. Well, not rapidly, sorry --

Q. Well, we will come --

A. -- an ageing population, at a relatively rapid rate, and that, you know, the cost of medical treatments are going up.

Q. All right.

A. Which is actually generally a good thing, because these are new treatments that can help people, but, you know, the UK social care and health system is experiencing exactly the same kinds of pressures as the pressures being experienced in most western democracies at this moment.

Q. Right, well, let's look at the detail, please.

Can we have up on screen INQ000189677.

This is a report by the Institute for Government, the government think tank, whose strapline is "inspiring the best in government" and "working to make government more effective". This is a report that was prepared by the authors sitting in the bottom left-hand corner. It's headed "How fit were public services for coronavirus?" We don't need to go to it but just to set this in context, this is a report based on extensive desk research, analysis of government data and interviews of civil servants, frontline staff, representative bodies and other experts.

Can we go, please, to page 8 of this report and highlight the final two paragraphs and zoom in on those.

"Even before the crisis began [that's the Covid crisis], public services had seen reduced access, longer waiting times, missed targets, rising public dissatisfaction and other signs of declining standards.

Most notably, GPs and hospitals were missing almost all routine targets while prisons had experienced a dramatic increase in levels of self-harm, violence and poor prisoner behaviour. This context made it far harder for services to maintain acceptable standards while also managing a disruption as wide-ranging and long-lasting as that wrought by the coronavirus.

"The response has also been hampered by historic underinvestment in buildings and equipment. Government has consistently underspent its capital budgets, often using money that had been earmarked for long-term investment to cover holes in day-to-day budgets. As a result, public services have had to operate out of crumbling prisons, courthouses and hospitals that are difficult to clean or repurpose in line with coronavirus health measures."

Can we move down to finish this on the following page, please:

"The sale of courthouses and police stations, and the failure to build new prison places, have similarly made it harder to maintain social distancing. And inadequate ICT has reduced the ability of police officers and local authority staff to work from home, made it far harder for prisoners confined in cells for more than 23 hours a day to access training or speak to

their families, and meant that schools, hospitals, GPs and criminal courts have all struggled at times to provide services remotely -- even when greatly reduced."

Now, there is reference, repeated reference there to prisons and court centres, and indeed those will be covered in detail in later modules, so I just want to focus for the moment on what the Institute for Government have found in terms of the state of the health public services and the ability for them to react to coronavirus.

Is that picture something that you recognise?

A. The short answer is no, because by the time I left office there were more doctors working in the NHS, more nurses working in the NHS, as Mr Cameron pointed out yesterday diagnostic testing had increased in the NHS, and public satisfaction had remained broadly constant during a difficult period for the economy and for the constraint of spending in public finances.

I would make a general observation. I mean, if you put all this together, the health service, the criminal justice system, the education system, the social care system -- I think basically you've just left out defence, but if we had some generals here they'd no doubt want some more tanks -- that is public spending. So you can't just say, "Well, we'd like public spending

to be higher", without then explaining where you're going to get the money from. I've pointed out the risks of borrowing the money. So you can certainly go to the general population and say, "Please will you pay more taxes". I would note the present Prime Minister just last year proposed a national insurance rise to pay for the NHS and it was rejected by his own party and by the Opposition.

So, in other words, this is the job of the Chancellor of the Exchequer. You are going straight to the heart of it, which is you've got to balance all of these completing demands --

Q. Quite so.

A. -- within public services, for different services wanting more money, plus the, you know, constraints on a country of borrowing the money in international markets, plus the constraints on the general population just willy-nilly paying more tax. And, you know, the taxpayer is also a core participant, in that sense, to this Inquiry, which is it's got to pay for all of this.

Q. All right, I understand the point that you're making, Mr Osborne, and in your witness statement you claimed that the Department of Health funding for the NHS was ringfenced or was increased in fact year on year during the course of your time as Chancellor whilst other

departments were reduced by up to 19%.

A. Yes.

Q. Right. Well, I'd like to explore that with you, please, in terms of --

A. I would make one point, that was --

Q. Please just let me ask my question.

A. Of course.

Q. I'd like to explore that in terms of social care and in terms of public health, because from the time of the implementation of the Health and Social Care Act of 2012, it's right, isn't it, that certainly certain of the public health responsibilities moved from the National Health Service over to local authorities, and therefore came outside of the budgets, that part of the budget that the Department of Health would give to the National Health Service. Do you agree with that?

A. Yes.

Q. Yes. So in terms of whether or not the funding for public health had been ringfenced in the way in which you describe in your witness statement, what we have to in fact look at is how the local public health was being funded through the local authorities.

In order to do this, and to demonstrate my point, can we put up, please, INQ000205178, which is the witness statement of Dr Claas Kirchelle.

Can we go to page 70 and paragraph 108. I would like your comment on this, please, once we've read through it, Mr Osborne:

"Functioning of the new local and national ... public health structures was compromised by austerity politics. At the local level, the abolition of PCTs meant that overall public health performance was strongly dependent on local authority capabilities to commission and deliver effective services. Ministers had promised to ringfence the public health budget for local authorities. However, an in-year cut of £200 million in 2015 was followed by further reductions over the next 5 years. According to the Local Government Association, this amounted to a real term reduction of the public health grant from over £3.5 billion in 2015-16 to just over £3 billion in 2020-21 ([a loss of] 14 percent). Other estimates by the Institute for Public Policy Research spoke of an even more dramatic reduction from £850 million in net expenditure between 2014/2015 and 2019/2020 with the poorest areas in England experiencing disproportionately high cuts of almost 15 percent. Resulting pressures on local public health were exacerbated by an overall 49 percent real term cut in central government funding for local authorities between 2010/11 and 2016/17 and

a resulting practice of 'top slicing' whereby authorities re-allocated ringfenced public health budgets to other services broadly impacting health and wellbeing such as trading standards or parks and green spaces. In 2010, *Healthy Lives, Healthy People* had promised to give 'local government the freedom, responsibility and funding to innovate and develop their own ways of improving public health in their area'; freedom and responsibility had been granted, but funding was often lacking."

What do you say about that, Mr Osborne?

A. Well, there are several things I'd say about this. I mean, first of all, I think it's universally accepted that the decision, which was not mine, it was taken elsewhere in the government, but the decision to transfer public health from the NHS to local authorities has turned out to be, broadly speaking, a good thing. There is no one, as far as I'm aware, arguing that it should be returned to the NHS --

Q. What about the funding position?

A. Well, we'll come on to the funding position, but, you know, the central -- because this is actually -- you know, also helps address the funding point. So, first of all, that was an important decision, and it meant that public health decisions were tied in with

other decisions that local government takes around housing and the like, licensing, recreation facilities, and so on.

Second, as it happens, during the period I was Chancellor the public health budget went up. The numbers you refer to are from 2015 to 2020 --

Q. Yes.

A. -- and I'd left office shortly after 2015. But I would make a broader point which is, you know, here there's a kind of challenge, which is a classic policymaking challenge, of to what extent do you try and ringfence things and say local authorities must spend this money on this particular thing. Indeed, public inquiries of all kinds have generally led to conclusions that budgets should be ringfenced for the thing the public inquiry was looking at.

Q. Yes.

A. Then, over time, a local authority has less and less discretion about how to spend money, because this bit's ringfenced and that bit's ringfenced and so on, and you either -- you (a) erode local decision-making and local democracy, and you also end up with a whole load of siloed individual ringfences. So, as a government, the Cameron government, of which I was an active part, was actually promoting localism, and indeed we went further

in devolving power, such as indeed the NHS and public health and social services in Manchester to the Greater Manchester authority we created --

Q. But to work, the system has to be properly funded, doesn't it?

A. Well, then you come to the point which is -- and by the way, local government has its own resources, it can raise -- or cut -- local taxes. Part of the taxation system is in the hands of local government. But I would make a --again, then I make the point, first of all, money is not the solution to all public health problems. I introduced a sugar tax which has had, I believe, a big impact on reducing sugary drinks and helping with obesity levels in the UK, smoking during the Cameron government reduced as a -- quite dramatically the amount of -- the proportion of the population smoking.

So you can do all sorts of other things to help with public health. If you're coming back to, like, the public health budget, well, then, you know --

Q. That's what the question was.

A. Okay, well, then, you know, that will straddle several different parts of government. Again, comes into the general question you've got of which budgets you're going to cut or what money you're going to borrow or what taxes you're going to put up. And we'd made a

decision to ringfence the NHS and, indeed, to ringfence some of these public health grants.

By the way, I might just observe that Public Health England, which we created, was absolutely instrumental in coming up, I think within three days, for a test with coronavirus. So we did put in place structures that in 2020 did deliver in the case of developing a very rapid test which was required for this brand new disease.

Q. Well, I'm going to suggest, Mr Osborne, that Public Health England failed in its mission to increase the country's public health. You will know that your Secretary of State for Health and then Health and Social Care, Jeremy Hunt, has provided a witness statement to the Inquiry in which he says that he acknowledges that during his time as Secretary of State the NHS required more funding. There was, as you have already acknowledged, a rapidly rising demand for services, an ageing population, that he considered that there were staffing capacities within the system that were causing difficulties, and that the NHS workforce requirements, which have historically been considered in an ad hoc way, need to be sorted out in order for the National Health Service to properly support the capacity that's required.

That's in normal circumstances, but when one takes

that into account when the pandemic hit, do you accept his criticisms that the system was not working as properly as it should be, and that part of the reason for that must have been the funding?

A. Well, I've read his evidence, which I thought was very good and had some interesting constructive ideas for the future around testing capabilities and so on and lessons to be learned from South Korea and Taiwan and other countries. I think, from memory, he actually identifies Brexit and immigration as one of the problems: that the health service had relied on a stream of people coming into the country to fill posts in nursing and, you know, other parts of the medical profession, and that, you know, proved problematic during the period he was health secretary.

Q. Do you --

A. I had by then left the government.

Q. All right. Do you agree that, however well funded you say the NHS was during your time as Chancellor, it simply wasn't enough?

A. No, I don't accept that. I mean, what I accept is you could spend more money on the NHS, just like you could spend more money on the court system, more money on the school system, more money on the army, but you have to make a calculation of, you know, balancing the resources

each of those services get, and the central calculation, which every household has to make, is: what can we actually afford? Because -- what's the revenue that's coming in?

So I think, you know, we prioritised health, I would also -- you know, it's not insignificant, this, that at the 2010 general election this is exactly what we said we were going to do, cut other areas but increase health. We went into the general election telling the public we were going to cut those other services. And in 2015 we also said the same thing, and on both cases, you know, the public put their confidence in us. So, in terms of also democratic accountability, I don't think the public were misled about what the government would do and, the evidence of the 2015 election, were prepared to continue to place their trust in us.

Q. Can we display, please, INQ0000119293.

This is the OBR's first fiscal risk report from July of 2017. I've already made reference to it. Can we go to paragraph 162 and look at -- sorry, page 162, and look at paragraphs 6.66 and 6.67.

This was the risk report provided a year after you had left office and, if we can look, please, at in fact 6.66 we will start with. Thank you very much. It's headed "Pressures on the adult social care budget and

how government has responded":

"As with health, there are visible signs of pressure on the adult care system. In the past two years, governments have announced top up funding and delayed reforms that would increase costs further. This Government has stated that 'further reform is required to ensure that the system is prepared to meet the challenges of the increasing numbers of over 75s' and that it will 'work with partners at all levels, including those who use services and who work to provide care, to bring forward proposals for public consultation'.

"6.67 Signs and sources of pressure on the adult social care budget include:

"Pressure on local authority budgets has fed through to adult social care: For those authorities in England with responsibility for adult social care, it is their largest item of discretionary spending. Local authority budgets have been squeezed by cuts to grant funding and limits on council tax rises. As a result, English local authorities' total net current expenditure fell by 13.3 per cent in real terms between 2010-11 and 2015-16. Within this, total spending on adult social care fell by less, but local authority spending on it still fell by 9.1 per cent over the same period, including transfers

from the NHS. Spending on adult (and children's) social care exceeded local authorities' budgets in 2014-15 and, by a bigger margin, in 2015-16."

This is the organisation that you created telling us here that, so far as local authority budgets are concerned, and adult social care is concerned, the picture was not great. Do you agree?

A. Well, I'm not saying -- I'm sure it does say that, to be honest. I mean, I think it points out that there are pressures on the adult social care system. That's a statement of the obvious. In all advanced democracies at the moment. Then it goes to point out that there were reductions in the local government budget.

Yes, there were. We announced -- they're not like secret reductions in the local government budget. They were publicly announced as part of a programme of trying to reduce government expenditure. But if you exclude local government, education, defence, criminal justice, and the NHS, you haven't got anything left. That is what public expenditure is. Plus welfare spending, which, you know, people are also not keen on having reduced, welfare entitlement.

So yes, there were reductions in local government budgets. That's because the country had had an enormous financial crash, was poorer than it had been before, was

going to be permanently poorer, there was an impact on -- you know, its permanent potential had been impacted by the crash, and we had to try to make sure that public expenditure fitted the size of the economy, whilst getting the economy growing and putting people into work and reducing poverty, which all happened under our watch as well. So we got the economy going so that you could afford to spend, ultimately, more on those things.

I would just say, on social care it's really straightforward. There are two people who can pay for social care: the taxpayer can pay, and then you've got to be prepared for higher levels of general taxation. Rishi Sunak's NHS and social care levy was rejected by the Conservative Party and the Labour Party in the last year. Or you can ask people to sell their homes, the assets they have, to pay for that social care. There is no one else who is going to pay for it. The taxpayer or the individual. And the political system for 20 years under governments of all colours have rejected those two options, which is why you continually read that there is an ongoing, you know, debate about what the -- the social care problem is unsolved. That's because the solutions are currently unpalatable to the political system, which I would suggest is a reflection of being

unpalatable to the broader taxpayer and society.
Q. But what about the effect of falling expenditure? You know that last week the Inquiry has heard from Professors Marmot and Bambra, who told the Inquiry that changes in the social determinants of health because of austerity since 2010 were likely to be the causes of the adverse changes in health and health inequalities in the UK.
Also I know that you've had sight of the statement of Professor Kevin Fenton, the president of the United Kingdom Faculty of Public Health, who has told the Inquiry that a key lesson learned through the pandemic has during been the importance of robust engagement with potentially disproportionately affected populations both in the planning and preparedness.
What I want you to consider, Mr Osborne, is, firstly, that government policy had an effect on health and social care which meant that those in the worst situations of society were disproportionately affected when Covid hit; and secondly, that that was identifiable, it was predictable, and it should have been part of the government planning?
A. I just completely reject that. And, you know, in the case of the Marmot and Bambra report, you know -- and obviously they -- there's a lot of very interesting work

on health inequalities which we did a huge amount to seek to address, they had this statement, at paragraph 151:
"National economic wealth (ie ... [GDP]) has long been considered as the major global determinant of population health ..."
Of course. In other words, that's what happened. Britain had a huge economic crash, the greatest since the 1920s and '30s Great Depression, and of course that had an impact on poverty in the country. It would have been worse, in my view, and in the view of many other people, including the Governor of the Bank of England at the time, Mervyn King, had we not then also tried to address the risk to the public finances, because that would have led to a fiscal crisis, like you saw across much of Europe, that would have meant even less funding for these public services. We tried to protect to health service during that austerity programme. And I -- you know, Marmot and Bambra themselves say that they can't directly establish causality between austerity and the mortality rates they look at, and the only example I can find in their report of a country that they cite that had a stimulus programme is Iceland -- which, by the way, has a population about the size of the borough that this courthouse is in -- right,

and then even in the same paragraph go on to point out that Iceland had some severe health effects from the crisis. And they leave out the United States, which was the primary example of a country in the west that tried a stimulus programme as opposed to an austerity programme, because they say, oh, yes, well, actually, mortality fell there. I've even done my own research and found out that mortality fell in Germany for the poorest part of the population during the period I was Chancellor, and I don't think anyone thinks that Germany pursued a particularly tough austerity programme during that period. So I just reject --
Q. All right, I understand.
A. I just reject -- I would centre on their central conclusion, which is:
"National economic wealth ... has long been considered as the major global determinant of population health ..."
Q. So your evidence, Mr Osborne, is that, although you acknowledge that, in certain aspects, the effects of Covid were felt more keenly by those most disadvantaged in society, that has no connection whatsoever to the effects of austerity that were brought in in 2010?
A. That's absolutely my contention.
Q. Right.

A. It is true that pandemics will affect poorer people --
Q. Yes.
A. -- more severely, and that is one of the great tragedies, which -- I was trying to try to alleviate poverty and direct services towards them. I think everything we did, to try and ringfence the NHS budget, to provide stable finances so that they were not further affected by fiscal crisis, things like universal credit which were introduced, all of these things were done to try and protect the poorest part of the population. Indeed, I was the first Chancellor ever to publish distributional analysis of the effect of my policies, budget after budget, precisely to show that we were trying to direct resources in constrained times to the poorest and most vulnerable --
Q. Yes, all right --
A. -- who are, indeed, generally more exposed to things like pandemics, tragically.
LADY HALLETT: Ms Blackwell, how are we doing? Because I think, if I may say so, Mr Osborne and I share a tendency which is to speak very fast, and the stenographer, I'm afraid, has had a tough morning.
MS BLACKWELL: I only have two more questions.
LADY HALLETT: You think you can finish by 1.00?
MS BLACKWELL: Yes, I will finish by 1.00.

A. Can I apologise through you, my Lady, for talking too quickly for the stenographer.

LADY HALLETT: Don't worry, I do it too.

MS BLACKWELL: Two final questions, please, the first going back to health economics, and I'd like to put to you the statement made by Professor Sir Chris Whitty in his witness statement -- we don't need to put it up, but he has told the Inquiry this:

"There may be a need to look at operational issues and the cost-effectiveness of particular interventions within CMO or SAGE advice, so health economics ... may be relevant to the medical and scientific advice. This is because giving advice which is operationally unfeasible or substantially disproportionate in cost or difficulty is not especially helpful."

That is mirrored and expanded by the witness statement of Professor John Edmunds from the department of infectious disease epidemiology at the London School of Hygiene and Tropical Medicine. He says this:

"There needs to be far greater attention paid to the economic impact of pandemics and the interventions aimed at controlling them."

Thank you very much, it's on the screen.

"The economics of outbreaks is a specialised field. Interventions can have major knock-on effects, so that

individuals who are not directly reached or targeted by the intervention can still benefit, as they have a reduced risk of infection from others. These knock-on effects need to be incorporated into the analysis to avoid underestimating the benefits of public health actions."

Pausing there, do you agree with these two scientific experts that there needs to be joined-up thinking between the science and the economy?

A. Yes, absolutely. I mean -- but I would observe that, you know, if you're trying to think through how a future government might deal with a pandemic --

Q. Yes.

A. -- it's not just the health impacts. You know, you have to -- what I think the government wrestled with at the time, I wasn't in it but I can see as an external observer and with my experience, was also the educational impacts, the criminal justice impacts and the like of the lockdown and trying to balance those, if you can apply more -- and, indeed, you know, the impact on businesses and, you know, people's employment. If -- you know, trying to -- you can certainly apply more analysis to all of that. I personally think you're going to end up with a very different, difficult essentially sort of human judgment of are you valuing

education over health, in some cases, you know, and that is a very, very -- or -- and other examples like that. And that's an incredibly hard trade-off which I guess we have, in our country, elected governments to try and make on our behalf.

Q. All right, thank you.

Finally, let's just look at the consequences of failing to plan, and can we display, please, INQ000087205 and look at paragraph 16 at page 4 of the Pandemic Diseases Capabilities Board review of April 2022.

Paragraph 16, please:

"... in line with the National Security Risk Assessment ... methodology, revised pandemic reasonable worst-case scenario models ... represent unmitigated scenarios and so do not include a full risk assessment for the use of NPIs [non-pharmaceutical interventions]. Given that the imposition of lockdown in part accounted for a 25% drop in GDP between February and April 2020, the largest drop on record, and numerous secondary and tertiary impacts on all sectors, this represents a significant gap in the UK's assessment of pandemic risk. Noting that, even without government intervention, we would anticipate spontaneous behaviour change and subsequent economic damage. What is more,

the secondary and tertiary impact of these measures will have been unevenly spread throughout society, highlighting -- and in areas exacerbating -- pre-existing inequalities."

Can we go to page 5 and paragraph 18, and can we highlight 18, 19 and 20, please:

"The unprecedented use of NPIs and significant changes in public behaviour seen during the Covid-19 pandemic required the provision of far greater economic support than pre-Covid planning assumptions suggested.

"The planning assumptions in the 2011 UK Influenza Pandemic Preparedness Strategy focused on the economic impacts of sickness absences. As a result, the strategy did not include many of the significant economic impacts we have seen during this pandemic, such as the dramatic drops in economic activity, significant shifts and reductions in consumer spending and disruption to global supply chains. The OBR's fiscal risks report from July 2021 [which we've looked at] suggests the United Kingdom's real GDP declined by an unprecedented 9.8% in 2020 and, as of September 2021, the NAO estimated the lifetime cost of government spending on Covid-19 will reach £370 billion.

"Clearly then, in line with recommendation 2.1, our economic risk assessment for pandemics must be updated

to include a broader range of impacts, including the significant potential impacts of NPIs and behavioural changes on different sectors of the economy."

Do you agree with that conclusion, Mr Osborne?

A. Well, I do, I absolutely agree with the conclusion. Knowing the brilliant civil servants of the Treasury, I suspect they've already done it for you. There already will be a load of internal assessments of the future effect of, for example, coronavirus variations that don't have vaccines at the moment that are effective, were they to emerge.

Q. Yes.

A. But I would make, you know, I would -- I guess my sort of -- where we started with this was: did the Treasury or indeed any other government, or part of government, or indeed any other western government, anticipate that it might require a lockdown that would impact the economy, as it says here, by a drop of 25% GDP? No, they didn't. But we -- through the programme we pursued, as a government, we created the fiscal space so we could end up spending £370 billion to help people deal with all the adverse effects that the lockdown introduced in terms of their education, the way the criminal justice system worked and, above all, their employment, and we kept people, as a country,

economically in a much better shape than they would have been if we had not been able to spend that money. And that's because we created the fiscal space, it meant we avoided the banking crisis and we did that because of the reforms that happened during the period that I was in government and as a result of the determined effort to fix the roof.

Q. I'm sure that in subsequent modules the Inquiry will be told whether or not these plans are indeed now in practice, but if that's right, Mr Osborne, it's a shame that this wasn't done before, isn't it?

A. Well, I would just point out no one I'm aware of anywhere in the western world, maybe anywhere in the world, said, "You know what governments should prepare for? They should prepare for a coronavirus pandemic that will require us to lock down the entire economy for months on end". Obviously if someone had said then that there would be a legitimate question, which is: why aren't you preparing for it? But unfortunately no one did. And as I say in my own evidence, I of course dearly wish that they had.

MS BLACKWELL: My Lady, that concludes my questioning of this witness. There are no Rule 9 requests by any other core participant. It's now 1.00. Would you like to rise, please?

LADY HALLETT: I will indeed. I shall come back at 2.00. Thank you very much indeed, Mr Osborne, and I'm glad we could complete you before lunch.

Thank you.

(The witness withdrew)

(1.02 pm)

(The short adjournment)

(2.00 pm)

LADY HALLETT: Yes, Mr Keith.

MR KEITH: My Lady, this afternoon we're hearing from Professor Dame Sally Davies, notably the former Chief Medical Officer for England between 2010 and 2019.

DAME SALLY DAVIES (sworn)

Questions from LEAD COUNSEL TO THE INQUIRY

MR KEITH: Dame Sally, could you give the Inquiry, please, your name.

A. Sally Claire Davies.

Q. Thank you.

Dame Sally, thank you very much for your assistance to the Inquiry. You have been provided with a great deal -- many documents, and I know a considerable amount of midnight oil has been burnt in preparation.

Whilst you give evidence, could you please keep your voice up so that we may hear your evidence and of course so that the stenographer can hear you for the

transcript.

If I ask a question which is not clear, please don't hesitate to ask me to repeat it.

You provided, helpfully, a witness statement dated 4 May 2023. Could we have, please, INQ000184637, and page 14. There is the statement of truth and the declaration dated 4 May 2023.

My Lady, could that be published?

LADY HALLETT: Certainly.

MR KEITH: Dame Sally, you were from 2004 to 2016 the Chief Scientific Adviser to what was then known as the Department of Health, but which became the Department of Health and Social Care, and also Director General for Research in the Department of Health.

You were, between June 2010 and October 2019 the Chief Medical Officer for England.

Between 2014 and 2016, you were a member of the executive board of the World Health Organisation.

Between 2017 and 2020 you were a co-convener of the United Nations Interagency Coordination Group on Antimicrobial Resistance.

Are you currently Master of Trinity College Cambridge?

A. Yes, the post that you omitted that would be useful for

the Inquiry to be aware of is that, as Chief Medical Officer for England, I was also the UK Government's most senior medical adviser.

Q. Thank you.

That is in fact where I propose to start. Could you tell the Inquiry, please, something about the role of being the Chief Medical Adviser and being the Chief Medical Officer.

A. So, Mr Keith, the Chief Medical Officer is by nature a doctor, a leader, appointed as an independent adviser to government, cross-government and contributing to cross-government as needed or asked, COBR, SAGE -- which I'm sure we'll talk about -- with high security clearance that was needed during the Novichok time.

I -- when I started in 2010, I was interim for one year before I was appointed through a competitive process. I had no Deputy Chief Medical Officers and no budget for them, despite the fact that my predecessor at one point had had five Deputy Chief Medical Officers and a broad span. The maximum my office came to was 13 people, including those two DCMOs, when I got the money and appointed -- for instance I headhunted Jonathan Van-Tam, I appointed the present -- Jenny Harries, the present head of UKHSA, both of whom are superb, as you know.

I had a statutory responsibility to write an annual report on the state of the nation's health in whatever way I chose.

My predecessor focused on patient safety, and I focused, following my first annual report in 2013, on antimicrobial resistance, AMR, which are superbugs. That's the grand ongoing pandemic, killing across the world 1.2 million every year, the third most important underlying cause of death; and so I imagine as we talk -- or I expect as we talk about pandemics, I will be able to show you how difficult it is to raise awareness and get action even when the deaths are happening, and AMR is a very good example of that.

I had a responsibility to communicate as CMO, often known in inverted commas as the nation's doctor, we saw that during the pandemic but I played my role there, and of course no CMO can cover every area and be expert.

My background is haematology, I'm a sickle cell disease expert as a matter of fact, whereas my successor is an epidemiologist in infectious disease, and my predecessor was straightforward public health with some orthopaedic surgery before. And that's why we need Deputy Chief Medical Officers, who have different expertises, one in health improvement, one in health security, or protection, so that the office can cover

that span.

As CMO for England, I was **primus inter pares** with the other Chief Medical Officers of the devolved administrations, and met them regularly. I expect you'll want to talk about that.

I was head of profession for doctors in the government, but part of the collective leadership of medicine with presidents of royal colleges.

So I think that probably gives you a feel for it.

Q. Yes, that is a broad scope, if I may say so, Dame Sally.

Very broadly, within your functions -- and you've just referred to these two general categories -- you were responsible therefore for health protection. In that very broad categorisation, do we include matters such as health emergencies, the risk of infectious diseases, pathogenic pandemics, antimicrobial resistance, all things which pose a threat by virtue of hazard to the health protection of England?

A. Mr Keith, I was not responsible, I advised on all those issues, and cared about them, because I care about the public. Patients, for me as a doctor, always came first, but I needed to get the advice from experts such as Public Health England, academia.

Q. I didn't in fact suggest that you were primarily or --

A. Thank you.

Q. -- even solely responsible for those areas. I was asking you whether or not the broad nature of the functions that you discharged could be divided into those two categories --

A. Yes.

Q. -- health protection, and health improvement?

A. Yes.

Q. Right.

So under health protection, AMR, health emergencies, pandemic outbreaks, the risk of pathogenic disease and so on, and what is health improvement concerned with?

A. Health improvement. Well, one reason we had a bad outcome from Covid -- and I presume would get from flu, but we have thankfully not tried it -- is because of what you have been told are health inequalities. I would talk about the lack of resilience in the public's health. 25% of children in year 6 are obese, 60% of adults are obese or overweight, we have high levels of diabetes. It's -- the health improvement is: how does government play a role improving the health of people? Because there is a libertarian view that it's all down to each of us as individuals and how strong we are, but of course it isn't about that. It is much more about the structure of our society and how to make the healthy choice the easy choice, whether it's activity or

what we eat or anything else.
Q. Are you able to say what proportion of your time was spent on health protection as opposed to health improvement, or is that an impossible question?
A. It's so varied from month to month. I mean, I'll take Novichok again, because I mentioned it. Over the period of a month, I did nothing but Novichok, and the Russians poisoning people. But other times I could do more. For instance, when the policy team were thinking about obesity, then they would come and consult me.
I discussed with the Treasury the framing and the work on the sugar levy, I set up a challenge meeting inviting Cabinet Office, Prime Minister's office, as well as our policy teams with academics, around obesity, both to hear the latest evidence but to model to people in government that I could say I didn't know, "Please help me, please tell me". And that seemed to me important, not only the information but the style of how you go about making policy.
LADY HALLETT: What do you mean by a challenge meeting?
A. I got in people who were expert at things and we would structure it so they would give short interventions with slides and then allow policymakers to say, "But we thought this", or "We want to do this", my Lady, or then to say "You seem to be going, policymakers, in this

direction and our evidence suggests that this doesn't work, or you'd be better doing the following". So trying to get a constructive, challenging in a constructive way discussions on some subjects.
MR KEITH: May I now ask you to put the position of Chief Medical Officer structurally into the right place in the overarching nature of the government, by which I mean the CMO does not sit in any government department but was there any kind of administrative structure around you -- an office, for example -- and to what extent were you obliged to liaise with government departments, whether it be the Department of Health, whether it be the Cabinet Office, the Department for Levelling Up, Housing and Communities, and so on?
A. So the Chief Medical Officer sits in the Department of Health, now DHSC, supported by a small team, as I said, only 13 in total in the Department of Health, working mostly on health with health, but working also with the Cabinet Office, Number 10, and other departments.
I did quite a bit of work with DfID and the Foreign Office, because of global health. Not only do I care how people live and their health round the world, but our best insurance to nasty things coming here is making sure they don't overwhelm those countries and

then move.
Q. Before you were Chief Medical Officer, as I summarised earlier, you were Chief Scientific Adviser in the department -- what was then the Department of Health. Is the role of Chief Medical Officer equivalent at all to the role of a departmental Chief Scientific Adviser, or does it have a greater degree of independence?
A. Oh, the CMO has, at least as I was, total independence of thought and ability to advise. The Chief Scientific Adviser is there to advise their department, and in that role I would try and help policy teams and ministers know what the latest science was, or if they'd commissioned something, look at it for some sanity or recommend peer reviewers.
Of course, it was me in -- I was appointed in 2004 at director general level -- who persuaded government to let me set up the National Institute of health research, so that we had much more applied research and science and so that we could develop the infrastructure that then saved many lives, of the NIHR managed -- note "managed" -- clinical research networks, which were the networks that ran all the trials that gave us treatments that worked, ran the trials to show whether vaccines worked. So I, as CSA, did most on setting up NIHR and making it effective and deliver for the nation and the

nation's health more than looking inwards.
Q. As the Chief Scientific Adviser to the Department of Health and as a Director General in the Department of Health, were you more closely concerned, therefore, with workstreams, with work being done within the Department of Health as opposed to the discharge of your functions latterly as Chief Medical Officer?
A. No, I ran the R&D directorate, but I didn't have any other directorates. I attended the board and things like that and contributed, but they are moderately independent, managed. I was performance managed by the chief -- by the permanent secretary, and of course I think you will have heard something about holding, but the whole point of how we commission research in this country is that the politicians can not only set the budget but decide on big areas they want investment, but they can't decide where the money goes.
Indeed, one of my clashes with ministers was when they didn't like a recommendation that I had to clear with them, which had been put -- advised by an international panel, and I had to say, "It is your right to overrule me, but if you do I will resign". I was not overruled.
Q. No one in this country could be unfamiliar now with SAGE, the scientific advisory group connected with

emergencies. What is the role of the Chief Medical Officer when it comes to SAGE, where SAGE is dealing with a major health emergency?

A. So when I started in 2010, the pandemic 9/10 of flu was declared over. In fact, in that first winter of Christmas 2010/2011, I realised I was in wave 3 of the flu pandemic. We've also reviewed how things had gone in the 9/10 pandemic, and one of the things that came out of it was that the SAGE had been chaired by the government's Chief Scientific Adviser, and though our Chief Scientific Adviser -- me at that time -- had gone to SAGE, this wasn't a very good way of knitting together all the different bits of advice and trying to make it as effective as it should be.

I would sit there and listen in SAGE to people talking about, "Well, is it safe to transfuse blood" or something, and I'd say, "But we have an expert committee, SaBTO, we have to ask them because they know what they're talking about".

So we then discussed it and over the next couple of years came to an agreement that when there was a medical emergency or an emergency with health impact, that the CMO would co-chair.

Q. So in fact you participated in SAGE in a number of different roles and with a number of hats on, because

you were initially --

A. Yes.

Q. -- a participant in SAGE because you were the Department of Health Chief Scientific Adviser, that was in relation to swine flu, the 2009 pandemic, then in relation to Ebola you were on SAGE, or rather pre-SAGE?

A. Yes.

Q. Then after that, you participated in the SAGE that was convened to deal with the Novichok poisoning in Salisbury and Amesbury because by then you were the Chief Medical Officer of England?

A. Correct.

Q. Is it part of the role of the Chief Medical Officer to provide technical insight and guidance and of course advice to SAGE as well as chairing it or co-chairing it in the event of a major health emergency?

A. Well, as CMO, I'm quite careful about what I really know and what I don't, so if it came into my personal expertise, I would put it in, but in general I went to those meetings briefed not only by Public Health England and other experts but also aware of the situation in the NHS, and so I was there bringing that understanding and the kind of common sense as a doctor who had worked with patients and the system for many, many years.

Q. So to some extent a clinical view as well?

A. Yes.

Q. You've said, Dame Sally, you've reminded us that you're an expert in haematology; where a CMO co-chairs a health-convened SAGE, may that SAGE call upon not just the assistance, the expertise of the attendants at that particular meeting -- so in your case your haematological experience -- but the expertise of everybody at the meeting but also of a number of other bodies, subcommittees and advisory groups who may be staffed by experts in other different fields?

A. I was very strong that we should, where we had an existing expert committee, call on them, and we did.

Q. Could we have on the screen INQ000204104.

Would you please help us, Dame Sally, with getting our bearings in relation to some of the bodies which advise in the field of health emergencies.

This is what's now familiarly become known as the spaghetti chart, but it is a schematic representation, Dame Sally, of most, not all of the bodies concerned in pandemic preparedness and response structures in the United Kingdom and England -- this is not the chart relating to Scotland, Wales or Northern Ireland -- and it faithfully attempts to recreate the position as at August 2019.

It's actually quite difficult to alight upon any

particular name in the mass of names and bodies, but towards the top of the page in yellow you will see COBR, the Cabinet Office Briefing Rooms, and underneath that you will see the Chief Medical Officer, England, and that was you at the relevant time.

To the right, Government Chief Scientific Adviser. Did the Government Chief Scientific Adviser co-chair SAGE in the event of a health emergency?

A. Yes.

Q. And underneath the CMO and the GCSA, we can there see SAGE, Scientific Advisory Group for Emergencies.

What were -- because we're going to hear a great deal more about them in due course -- SPI-B to the left and SPI-M-O to the right?

A. So I should say that it was the Government's Chief Scientific Adviser who was the senior chair, because their office provided the secretariat for SAGE and they ran all the other SAGEs.

The SPI-B was a group that could be set up on behaviour, so trying to advise on how the public might respond to various issues. It arose during the Ebola 14/15 time when we realised that anthropologists and ethnography were terribly important to the response and was reconvened thereafter when SAGEs were needed, definitely in Covid.

SPI-M is the modelling subgroup, O because during Covid it was active, out of an emergency it's just SPI-M. It brings together modellers -- here we're talking about infectious diseases but you can model any emergency, whether it's flooding or anything else from the relevant departments -- with academics coming in, and the objective was to bring their different models and come with a consensus agreement to SAGE that then generally the GCSA would take into COBR the modelling.

Q. All right. When you say SPI-M-O was active, does that mean it was operational, hence O?

A. Yes.

Q. And SPI-B is the group in relation to behaviours --

A. Thank you.

Q. -- and therefore SPI-B.

On the right-hand side of the page, you will see the reference to other government departments and, underneath that box, departmental Chief Scientific Advisers.

You've referred already to the Government's Chief Scientific Adviser, but did major government departments have their own internal Chief Scientific Advisers?

A. Almost all of them did, and they met weekly with the Chief Scientific Advisers, so it was a broad network.

Q. At the top left-hand of the page, you will see NERVTAG,

New and Emerging Respiratory Virus Threats Advisory Group. Was that a body which reported in to SAGE when required but also permanently gave advice on, as it says on the tin, respiratory virus threats?

A. As it says on the tin, yes, new and emerging respiratory threats, not predicting what might appear, they reported in to the department and myself as Chief Medical Officer; we took their advice into SAGE and COBR.

I think you've done really well with this, because of course it's a three-dimensional spaghetti mess.

Q. Yes.

A. And I would just say that the Office of the Chief Medical Officer supported the Chief Medical Officer and the Deputy Chief Medical Officer, so I would have put them all together. I would have put them kind of much closer to the Department of Health but not fully in it, and I do want to point out that I worked, as does my successor, very closely with the CMOs in the devolveds as well.

Q. Yes. Well, there is a -- yes, there's no direct link, is there, on the chart between Chief Medical Officers for each devolved nation and the Office of the Chief Medical Officer?

LADY HALLETT: I think we've got quite a few links, Mr Keith.

MR KEITH: Yes --

A. Yes, it's three-dimensional.

MR KEITH: -- but I can't even pray in aid a dotted line. There is no link at all on this chart.

LADY HALLETT: But it is an important connection, Dame Sally, so you're quite right to point it out.

MR KEITH: So we can see there, Dame Sally, Chief Medical Officers for each devolved nation, and of course that includes all the nations.

Further down the page, so to the right of Chief Medical Officers for each devolved nation but above the big blue box in the middle, there is something called the Moral and Ethical Advisory Group, MEAG. Was that also a permanent body which provided advice on moral and ethical matters?

A. No, that was set up much more recently. It may be permanent now, but that was not, as far as I'm aware, present through most of my time.

Q. Right, it is permanent but it wasn't in place, you're quite right, throughout the currency of your holding of the post of CMO.

Then in the middle, because this is a health emergency, the lead government department is the Department for Health and Social Care, and within that blue box, just to the right of the marked-up passage,

DHSC Chief Scientific Adviser, so there is the CSA for the Department of Health and Social Care.

A. Who reported to the CMO, and then if you really want to add to your things, of course the health protection research units that you've got bottom left are funded by the NIHR. It was money that I took from Public Health England because I wasn't happy enough with their research and I didn't feel that they linked enough to academia, so I took £20 million and, following discussion with them and policy leads, chose subjects and we commissioned a series -- and they're recommissioned every five years -- of health protection research units run -- commissioned out of NIHR.

Q. Right.

Then just above there, we can see, above the words "Operational response centre", which is a part of the Department of Health and Social Care which came into existence latterly, you can see "Director of Emergency Preparedness and Health Protection". That is one of the major directorates in the Department of Health and Social Care, is it not?

A. Yes.

Q. All right.

Somewhere on this chart will be Public Health England or the United Kingdom Health Security Agency.

Ah, yes --
LADY HALLETT: Underneath --
A. Bottom left, yes.
MR KEITH: Thank you very much. My eyes are beginning to cross.
Public Health England, DHSC. Could you just very shortly explain what was then the function of Public Health England?
A. Public Health England was a result of the Health and Social Care Act, it brought together the Health Protection Agency and a number of other bodies, I think there were about 70, but essentially bringing together health protection and health improvement, both as an advisory body on policy issues but particularly as a delivery body for public health. They had responsibility for assisting local authorities in appointing their directors of public health in local authorities, and they played a major role in pandemics and health exercises.
Q. And, Dame Sally, is it Public Health England that was subsequently abolished and its functions divided between the United Kingdom Health Security Agency, to which you've already referred, and a number of other bodies including --
A. Yeah.

Q. -- DHSC, NHS and regional health authorities?
A. Yes.
Q. All right.
Then finally on this chart, towards the right-hand side of the page, up against the departmental Chief Scientific Advisers and all the government departments thereunder, we can see three groups in faint yellow, the UK Zoonoses, Animal Diseases and Infections Group, the Advisory Committee on Dangerous Pathogens, ACDP, and HAIRS, the Human Animal Infections and Risk Surveillance group.
Do they all, broadly speaking, do what they say on the tin?
A. Yes.
LADY HALLETT: Dame Sally, forgive the comment, but some of us may get the impression occasionally that there's change for change's sake in names of different groups or bodies. What was the rationale between bringing together health protection with Public Health England and then separating it again with other bodies? I mean, why?
A. My Lady, they were both political decisions. There is a rationale for putting all of the public's health together, because then you have a critical mass and things like data collection and processing, all sorts of

things, can inform each other, and our public health speciality as they train has three pillars, I imagine they call them, that they train in. One is health protection, one is health improvement, one is health services. So people could move between them. So Jenny Harries was doing health protection in Public Health England, I appointed her as my deputy on health improvement, and as a regional director of public health she was rather good, she managed both. So they were trained in all of them. So that was it.
I presume that the splitting -- again, going back to what was there before Public Health England -- was an effort to really have a, not just a focus but a grip on response for emergencies.
LADY HALLETT: Thank you.
MR KEITH: Finally -- I think I may have said finally already, but finally finally -- there is an important part of the public health structure which is reflected in this chart, which is the local directors of public health, towards the bottom of the page in the middle, below NHS England. Who are directors of public health?
A. They are a wonderful -- no, a community of some wonderful people who are either doctors or specialists in public health and they have trained in those three areas that I've talked about -- many of them are

epidemiologists -- and they are situated in local authorities.
This was a change that was brought in in the 2012 Act. It's reminiscent of the middle of the last century when public health was a local issue, and public health directors were the local medical officers, and they looked after outbreaks and food health safety and things there.
So it sounds a really good idea, but of course the government gave budgets with them to local authorities and they were very vulnerable and they ended up cut. So I think they have found it a very difficult role.
Q. You referred to the 2012 Act. In fiscal terms, and as far as the directors of public health were concerned, did that Act transfer fiscal responsibility for those directors away from central government to local authority, and that of course is why you refer to the fact that local authorities then controlled the budget? So if local authority budgets are cut, equally the budgets of their local directors of public health are cut?
A. That was in effect what happened, the budget went from the Department of Health to Public Health England -- at least this is how I understood it -- and then out to the directors of public health and became part of the local

authority budget. Public Health England collected the data and accounted for it, but it was cut by local authorities when they needed saving.

Q. Given what you said earlier about the important functions of the CMO, including health improvement as well as public health, to what extent does the CMO England and Scotland and Wales and Northern Ireland collaborate with and engage with local directors of public health?

A. So the structures were different in the other devolveds and they had roles within the NHS, in their NHSs, which I didn't. I met at least once a year with directors of public health by sharing a conference with the Association of Directors of Public Health; I met the president or chair of the Association of Directors of Public Health more often; I tried some phone-ins, but not many people phoned in. So if I met them, they said, "Oh, so I face" --

Q. "You are the CMO".

A. -- "I face very similar issues to you", because I would talk about how you have to try and persuade politicians to put money into things or to recognise the importance of a policy, and I would talk about how difficult it could be, and they'd say "Oh, that's exactly what happens to me".

So we had similar jobs, but I didn't have a strong relationship.

Q. What about with local authorities more generally? So, for example, my Lady has heard evidence about local resilience forums who play an important part locally in civil contingency, they're on the bottom of the chart at the bottom left. Were there any meaningful links between the Office of the Chief Medical Officer or the Chief Medical Officer and them?

A. No, those links were either with Public Health England or with the EPRR programme.

Q. All right.

And finally on this topic, the devolved administrations. You had regular meetings, did you not, with the CMOs and the deputy CMOs of the devolved administrations, and no doubt you had meetings with the national analogue of Public Health England, so Public Health Wales and the Public Health Agency in Northern Ireland and Health Protection Scotland? Were they all bodies with whom you communicated at some point?

A. No. I regularly met in different ways with members of Public Health England. I did not have accountability meetings with Public Health England, that sat with the right director general. I met just with the CMOs. We

met four times a year formally, had dinner before to try and build trust, and I involved them in many projects.

So I was asked by David Cameron to write guidelines on alcohol consumption, I asked them to join me -- the same with physical activity, the same with the report on screen time -- because doing the work together made it much more powerful, it built our relationships for when there were different times, and actually it's much easier for citizens across the UK if it's one set of guidelines for the whole of the UK.

So I did quite a lot of work with them, as did my office, and the civil servants, whether from Public Health England or the department, who were leading bits of this work on my behalf.

Q. Thank you very much.

Could we now turn to the issue of risk assessment. My Lady has heard a considerable amount of evidence concerning what is now known as the National Security Risk Assessment process. You were CMO until October of 2019. I think the National Security Risk Assessment for 2019 was approved in July of that year, prior to you leaving the Office of the Chief Medical Officer in October 2019.

Do you recall having any input into or debating or discussing the draft 2019 National Security Risk

Assessment?

A. I don't recall, to be honest, but on the other hand a lot of documents went past me -- and I don't have the world's greatest memory, which is why I've had to bring some notes -- and if I thought it was all right, it wouldn't be likely to stick.

Q. A point made by the Cabinet Office, both in writing and orally before this Inquiry last week, was that the risk assessment process -- in particular the National Security Risk Assessment for 2019 -- was subject to a considerable degree of external validation, checking, and it was examined by departmental Chief Scientific Advisers, I quote, "policy subject experts, external experts", the Scientific Pandemic Influenza Group on Modelling, the Risk Assessment Steering Group, RASG, and what are known as expert challenge groups, to which you referred earlier.

Did they include the CMO?

A. Not that I recall, but if the CSA -- at that time was Professor Chris Whitty -- was there, I would not feel the need. I trusted him, and he was CSA. I mean, there's a limit to the duplication.

Q. No, indeed.

The Chief Medical Officer of course after you, as you said, is an expert in epidemiology. One of the

major risks, in fact the primary risk, a Tier 1 risk, the highest overall risk in that entire risk assessment process, was of influenza pandemic, of course closely related to the issue of epidemiology.

Do you think there was a case for involving or maybe now involving the Office of the Chief Medical Officer in that risk assessment process in order to ask the right questions, to challenge and to probe?

A. I think it ... it does depend on who is the CSA and who is the CMO. I would be surprised if I could second-guess Chris Whitty. I did -- do know that I made sure that antimicrobial resistance stayed on the list, because I've had such trouble trying to raise awareness of this.

Q. In your witness statement, you say -- you express your belief that the UK's preparations for a pandemic of influenza reflected a long-standing bias in our preparations in favour of influenza and diseases that had already occurred with, we now know, an underestimation of the impact of novel and particularly zoonotic disease.

Part of that underestimation or an explanation for that underestimation may in part be found in that risk assessment process, which focused on pandemic influenza as you know, and arguably failed to give sufficient

attention to the risks of other pandemic pathogens and of their varying characteristics, which may include different incubation periods, asymptomatic transmission, higher transmissions, greater severity and so on. You're familiar with the issues.

Why do you think that long-standing bias occurred, and/or was allowed to continue?

A. So, I've said previously something about groupthink, and there was groupthink, but it wasn't just us; this was the whole global north, the western world thought that flu was the thing to focus on. Let me be quite clear: we've had, in just over a century, four flu pandemics. We will have more, it's only a question of when. So for me the issue is not: should we not prepare for flu; we must prepare for flu. The question is what else we do over and above that, and clearly we could have done more thinking. So we needed -- the system, which included me in that way, needed more challenge.

I tried, I -- following a visit to Hong Kong where I learnt a lot about SARS, I did ask unofficially: what about doing a SARS review? And was told, "Oh, no, it won't come here". And I found in a document that is -- you have -- someone's given me in an evidence pack, INQ000056256, the national research register -- national risk assessment from January 2016, that it actually says

about SARS, more recently MERS and Ebola, that they were unlikely to present a wider threat to the UK through sustained spread.

So I -- I mean, that was what I was being told. I went to Korea, I came back, and I asked for a MERS practice, and we did Exercise Alice that you may come to.

Q. Yes.

A. So I did put some challenge into it, but maybe this is the moment to say how sorry I am to the relatives who lost their families. It wasn't just the deaths, it was the way they died. It was horrible, and I heard a lot about it from my daughter on the frontline as a young doctor in Scotland. It was harrowing, and it remains horrible.

Q. Indeed.

In September of 2019, Johns Hopkins Center for Health Security published a paper entitled "Preparedness for a high impact respiratory pathogen pandemic". Could we have, please, INQ000198916, I think page 6, please.

The report examined from a well known, renowned body the current state of preparedness, just on the eve of the pandemic, for pandemics caused by high impact respiratory pathogens, that is pathogens with a potential for widespread transmission and high

observed mortality.

"Were a high impact respiratory pathogen to emerge, either naturally or as the result of accidental or deliberate release, it would likely have significant public health, economic, social, and political consequences. Novel high-impact respiratory pathogens [so, just pausing there, not just of course influenza] have a combination of qualities that contribute to their potential to initiate a pandemic. The combined possibilities of short incubation periods and asymptomatic spread can result in very small windows for interrupting transmission, making such an outbreak difficult to contain."

Of course, Dame Sally, a longer incubation period whilst one is becoming infected, which is asymptomatic, so that one doesn't know one is infected, gives an even greater potential to spread an infection before one becomes aware of the symptoms.

"The potential for high-impact respiratory pathogens to affect many countries at once will likely require international approaches ..."

The article goes on to raise a general concern about the lack of global attention and consideration of this threat, and it calls for a general better understanding of levels of preparedness structures and capabilities,

and observes that there are notable existing gaps.

In this field of pathogenic learning, it was well understood, wasn't it, that the next pathogenic pandemic could have very different characteristics, not just influenza but differences in terms of transmission, incubation period and asymptomatic infection?

You must have given a very great deal of thought to this issue. Why did that whole process of risk assessment, of preparing, producing influenza strategies, of preparing workstreams to deal with the consequences and the impact of an influenza pandemic, not address that feature?

A. I think the answer is in two halves. So, the first is of course it was this group that said "We in the States were in a wonderful position and top of -- along with the WHO -- top of the charts for our pandemic flu preparation", which --

Q. I'm sorry to interrupt, do you mean by there the reference to the --

A. Johns Hopkins, yes.

Q. No, the grading carried out under the auspices of the World Health Organisation, the joint evaluation, and also the GHSI chart?

A. Yes.

Q. Right.

The second part of the answer is: yes, we did not have -- the government didn't do the plans, but we didn't have resilience either and, as I said earlier, you can't get a good outcome if you don't have resilience in the public's health, resilience in the public health system -- it had been disinvested in -- resilience in the NHS, and by comparator data compared to similar countries, per 100,000 population we were at the bottom of the table on number of doctors, number of nurses, number of beds, number of ITUs, number of respirators, ventilators. We needed resilience in social care, that was clearly missing, resilience in the life sciences, about manufacturing, we didn't have that.

The only thing we had resilience in, and I'm very proud of, and it did save millions of lives across the world, was R&D. But if we don't build those, no plan will work.

Q. Dame Sally, could you just explain what you mean by R&D? Do you mean the clinical expertise, the scientific and research base in the United Kingdom?

A. So following Ebola, led by Oliver Letwin, some considerable amount of money, more than £400 million Official Development Assistance was made available and we set up, I think it was £110 million, the Vaccine Network to look at what we could do -- and

A. So that reassured me as a non-expert, but part of that part of the answer is that first of all I believed that if we prepared well for flu we should be able to pivot pretty effectively, and we can't prepare for everything. Meanwhile, we did a lot of learning as we went. So after 9/10 there was the Hine review and that 2011 pandemic plan, I came into my role, was to consult on it, to consult widely, and no one said, "Ah, you've got it wrong". We were hoping to update it, or at least the department was intending to in about 2014, but then Ebola came. But we learnt during Ebola about things. We -- the Public Health England on behalf of government put in place screening at the airport, looked at and modelled quarantining in a hotel and some other facility which didn't sound very nice, but they did do pieces of work that I knew we could call on.

I knew that during Ebola, because we would inevitably import some cases, that because of the pressure I put on the NHS, they had had to make sure they not only in 2015 had reliable PPE, but I was assured by their chief medical director that they had been trained to use that effectively. So I went forward believing that we had quite a bit of the other things that we might need in place. Public Health England was advising on the PPE stockpile.

I chaired the first meeting, then Chris Whitty took over -- to help prepare for infections that didn't have vaccines that might occur in low and middle income countries and might spill over.

We funded into Oxford for a MERS vaccine, that was the basis of the successful Oxford/Cambridge/AstraZeneca vaccine that saved more lives probably across the world than the other ones.

Q. Indeed.

A. We had -- I'm having to think of all the different things. Also we put in place after Ebola a rapid support unit which was co-commissioned out of the London School of Hygiene and Tropical Medicine and Public Health England, on the grounds that if you get -- snuff out something that happens quickly, it's much better and cheaper, and they would go, at WHO or country request, all round the world to help countries on breakouts of Ebola, cholera, things like that. I put in place the research units, we had the research networks to deliver all of the clinical trials.

I know I've got more I should tell you, but I can't remember it all.

Q. Rather than turning this into a memory test, but if I may say so a very impressive answer, we'll come back to some of the specifics a little later.

A. Thank you.
Q. Therefore just standing back, in terms of -- to use your expression -- the pillars of the United Kingdom's ability to respond and its response, the three areas appear to be the question of resilience -- about which you've spoken, if I may say so, very eloquently -- the issue of research and development, the scientific and research base which led to diagnostic tests being made available extremely quickly, vaccines, of course, antivirals, clinical treatment, the trials and all the data research from Vivaldi and Zoe and the various systems that were put in place.

Then the third area is, I suppose, countermeasures, the political and administrative system which was designed to prepare the country for a possible pandemic, and it's in relation to the areas of resilience and countermeasures that you have spoken in the terms that you have in your witness statement.

The pandemic preparedness strategy 2011 to which you've referred, INQ000022708, Dame Sally, I daresay that when the strategy came to you for your review -- you said you had an input into it -- of course it called itself the influenza pandemic strategy, so I don't suppose anybody was thinking about what other pandemics this strategy document should be designed to address?

relating to non-influenza pandemics?
A. No, but I suppose in a way that's why I wanted, I mean, practices, because do you need something else written and long? What you need is the people who will be involved to learn lessons and know how to put it into practice. So I asked, after the German outbreak of E.coli where a number of children died, that we should do an E.coli exercise; I asked about SARS; I initiated, by asking for it, the MERS one.
Q. As far as you are aware, did anybody stand up and say "Well, this strategy is solely reliant upon a pandemic influenza, there appears to be no strategy document dealing with non-influenza, where are they? Where is that document?"
A. I can remember no one saying that to me. I think I would remember that.
Q. In your witness statement, turning now to a different topic, you say this:

"As a system, we need to open ourselves up better to challenge, including from external experts."

You will know from your comprehensive review of the documentation that the Department of Health and Social Care after the Covid pandemic acknowledges that the department would have benefitted from a fuller understanding of the response by Asian countries, of

A. I was not. It was the beginning of my period. I had a lot to learn.
Q. Page 15 says this:

"A pandemic is most likely tobe caused by a new subtype of the Influenza A virus but the plans could be adapted and deployed for scenarios such as an outbreak of another infectious disease, eg ... SARS in health care settings ..."

I pause there, in healthcare settings because SARS wasn't generally understood to be something that was capable of spreading healthcare settings.

" ... with an altogether different pattern of infectivity."

Is that the same point that you made earlier, which is that you understood that the strategy was to have a plan for influenza which could then be adapted for the purposes of a non-influenza pandemic?
A. This was written by my predecessor, who knew much more about this than me. I mean, looking at it now, I still think that some of the plan is, was very useful and can be very useful, but there was more we should have done.
Q. Do you recall any debate, when you were the Chief Medical Officer, on the need to update this single -- there was no other strategy for influenza pandemic -- this single strategy, or to produce a strategy document

course the responses to their experiences of SARS and MERS, both of which had had repeated outbreaks.

Can you assist the Inquiry, please, as to -- again you must have given this a great deal of thought -- how we can better learn from the experience of other countries, other systems, and perhaps overseas experts? Because that appears to have been missing in the system at the time.
A. So we need to continue to engage with WHO and through WHO we build relationships with other countries. We have two quite useful systems. One is called GHSI, Global Health Security Initiative, which is G7 health ministers plus Mexico, who have met a number of times and we've done exercises with the ministers and their senior advisers. Those have been useful. G20, when Germany was chair we did an exercise in Berlin on Ebola, that was very important for the health ministers, I learnt some things. I actually went and ran one on antimicrobial resistance for the Argentinian G20 that they found very useful. But I also think we need to look at how we bring in external challenge, and it is something about an open policy approach which I was clearly made for, in that I love to have a debate and see if someone can best me and make me change my mind.
LADY HALLETT: Do they?

A. Occasionally. Yes.
MR KEITH: So, Dame Sally, have you identified, therefore, a second important doctrinal approach, that there can no longer be the level of groupthink to which you referred earlier, but there must be more external challenge and a doing away of what you describe as United Kingdom exceptionalism, the belief -- utterly ill-founded -- that we know better?
A. I absolutely agree, but I would also say that as we do this, we've got to remember that we have a limited amount of money and limited people, both in the policy space and in the delivery space, whether it's the NHS or public health. And so we also have to, while listening with respect to some of our academic colleagues who come up with things and say: yes, but what is the risk of that happening? Is that something that we need to do a special plan for, or can we do -- can we amend a plan?
I mean, it's clear that no one thought about lockdown. I still think we should've locked down the first time, though a week earlier. But during that we should have thought: do we need to further?
The damage I now see to children and students from Covid and the educational impact tells me that education has a terrific amount of work to do. We have damaged a generation and it is awful, as head of a college in

Cambridge, watching these young people struggle; and I know in the pre-school they haven't learned how to socialise and play properly, they haven't learned how to read at school. We must have plans for those.
Q. Well, they, Dame Sally, of course, are all terrible consequences from the lockdown itself, but for the purposes of this module, the position was, wasn't it, that the possibility of a lockdown itself was neither foreseen nor planned for, that is the reality, isn't it?
A. True.
Q. And it was that failure in the context of planning for a pandemic that is one of the more notable failures in this strategic planning?
A. I still -- yeah. All right. I'm sorry we didn't plan for that. I think we -- I would prefer to have planned to not get us to that stage, but we didn't recognise that it could -- something could get to that stage and then how would we manage it.
The other thing, another thing which I would say we didn't plan for was flu has peaks that go for 12 to 16 weeks; we never planned for something that was unremitting for a couple of years, I mean, and may not have gone away yet, we could have some more mutations.
Q. The risk assessment document to which you referred talks only in terms of a 15-week wave.

A. Yeah, and the impact of that on both the public but the front lines, we had to think about how we should scale, both scale effectively but then maintain that response. And while I'm on it, we should as a government have -- well, I'm not government, but I wish that someone had looked at logistics and thought about logistics and supply chains and data better.
Q. May we come back to that in the context of some of the recommendations from Alice and Cygnus which of course deal with that.
You referred a few moments ago to the failure to think more about how to prevent. Is that a reference to perhaps a further doctrinal error or a strategic error, which was the focus on trying to deal with the assumed catastrophic consequences of an emergency as opposed to trying to prevent those catastrophic consequences from occurring in the first place? What did you mean by that?
A. Yes, that was what I was referring to, that we worked on response and I do not remember a conversation about: so how do we stop it getting here? In part because the International Health Regulations of the WHO, to which almost every country signed up to, say that when a pandemic kicks off you do not close the borders. But I did learn during Ebola some important lessons. So the

government, David Cameron, wanted to look at closing borders, Public Health England said it wasn't cost-effective, and what I learnt was there are times when you have to do things that may not look cost-effective because the nation needs them.
Q. May I now turn to Exercise Alice and Cygnus.
You will be of course very familiar with both exercises -- not least because the evidence before the Inquiry says that Exercise Alice was prompted by a request from you personally -- and it was a tabletop exercise conducted in February of 2016 in London to deal with the assumed large-scale outbreak of MERS coronavirus, and it was a very significant exercise, was it not?
A. Yes.
Q. The objectives of the exercise were to plainly observe and confirm the health capabilities and capacities of our country, to explore and report upon the communications and the control mechanisms as to how this emergency would be dealt with, and also public messaging and contact tracing and so on and so forth.
But two very important parts of Exercise Alice and the report dealt with the possible need -- I emphasise "possible need" -- for mass contact tracing if MERS, the assumed exercise, were to get out of control and not

just be confined to health settings, and also the possible need for large-scale quarantining, again if the virus were to get out of control and were to overwhelm the relatively small systems for dealing with high-consequence infectious diseases, which are basically run by Public Health England and specialists who go in and sort out the problem.

Can you recall now why the workstreams that were designed to give effect to the Exercise Alice recommendations, particularly in relation to quarantining and mass contact tracing, don't appear to have borne fruit?

A. No. I instigated it, I felt we needed it. If you look at the report, you will see it was published, written by Public Health England. My understanding was having written the report, which of course I saw, I participated and saw that they would get on and make sure that they addressed the agreed recommendations. It wasn't me saying "I think you should do this".

Q. No, it was the report?

A. Yeah. From them.

Q. So looking back, does it appear to be the case that the system, for which of course you're not personally responsible, but the system failed to ensure that within a reasonable amount of time, practically the

recommendations of Exercise Alice were put into place, that plans were drawn up along the lines of those recommendations?

A. I would have expected them to be. It appears they weren't.

Q. In relation to Exercise Alice, after it was completed -- and in general terms it set out and highlighted a number of areas in which recommendations were made and areas in which improvements were suggested -- do you recall any debate at the level of the Office of the CMO as to how progress was being made in terms of putting those recommendations into place?

A. No.

Q. All right.

A. You must understand I was terrifically hard-worked and actually spent rather a lot of time on another health emergency, the antimicrobial resistance pandemic.

Q. Let me make absolutely plain, the system did not provide for or anticipate that the Chief Medical Officer should oversee this process and make sure it was put into place. I'm merely enquiring as to whether or not the system happened to provide for the CMO to be told of progress and what was happening.

A. I don't recall it.

Q. Jeremy Hunt, in his witness statement -- and we'll be

hearing from Mr Hunt tomorrow -- says he was not involved in Exercise Alice and neither the department -- that's the Department of Health and Social Care -- nor the Chief Medical Officer believe any recommendations from the exercise reached his desk, which rather suggests that he's asked you or he's made some enquiries as to whether or not you knew that the recommendations had not reached his desk.

A. So I developed a trusting relationship with that particular Secretary of State, and felt that I should get on with my work and go to him when I needed to. I asked for this, there were good recommendations, I don't think I did take it to him because it seemed to me the work was done, he shouldn't -- he was busy, he didn't need to worry about it.

Q. You could sensibly presume that the system would be in place to ensure that the recommendations were acted upon --

A. Yes.

Q. -- and the steps were taken?

Exercise Cygnus was an even bigger exercise, was it not? It was a Tier 1 national level pandemic influenza exercise in October of the same year with near on a thousand representatives, and it was designed to test the United Kingdom's preparedness in response to

a pandemic influenza outbreak commissioned by the Department of Health, and commissioned I think at a stage when you would by then have ceased being the Chief Scientific Adviser in the Department of Health?

A. Yeah.

Q. I say this advisedly: you were merely at that stage just the CMO, but you weren't directly engaged within the Department of Health. To what extent were you aware of the outcome of Exercise Cygnus?

A. I was not party to the work in 2014, and in August there was a one-day Exercise Cygnet that set up Cygnus.

Q. Yes.

A. Cygnus itself went for three days in October. I was part of that in receiving both briefings, briefing the Secretary of State, and going to the mock COBRs and commenting and advising.

Q. The report makes plain that you yourself had called for more regular programmes of Tier 1 pandemic flu exercises --

A. Yes.

Q. -- is that correct?

A. Along with the permanent secretary, who agreed with me.

Q. It was your position, and you publicly stated it, that it was essential to build on the learnings from Exercise Cygnus to ensure continuity in the country's

preparedness, and you suggested that in future Tier 1 pandemic flu exercises be conducted coinciding with the beginning of every new Parliament, which would ensure regular and significant exercises.

A. Yes.

Q. Do you know what came of your public and consistent recommendation to that effect?

A. No, but we probably aren't in a new Parliament and Covid came, but I don't.

Q. The conclusion from Exercise Cygnus -- and my Lady has heard this conclusion stated a number of times -- is that the United Kingdom's preparedness and response in terms of its plans, policies and capability were not sufficient to cope with extreme demands of a severe pandemic that would have a United Kingdom-wide impact.

This was an exercise which, at least indirectly, you had called for, which you promoted and you supported and you wanted such exercises to take place more regularly.

Were you extremely concerned by that conclusion, the conclusion of the process to which you had lent your support?

A. I thought it was a correct conclusion, and I hoped that it would spur more work. It did set off some streams of work that I was concerned about, one being how, if our NHS is overwhelmed, should we triage the work, and that

piece of work went through and it was in fact that which set -- which precipitated or pushed for the need to have a medical and ethical group that you referred to earlier.

Another piece was, as we worked through it and things were clearly out of control, somebody representing a minister, or a minister, or someone would say, "Well, we could take emergency powers for ...", and I highlighted that we should work out what were all these possible emergency powers and draft a draft Act so that we were prepared, and over the next two years that was worked on.

So I had feedback occasionally from the civil services contingency on how that was progressing, very slowly, and the triage work from the NHS, which I saw through to a conclusion and shared with ministers.

The other work I was not particularly party to.

Q. Is that because, Dame Sally, the Chief Medical Officer was not expected and in no way expected to be able to supervise the outcome of the recommendations and whether they were implemented, let alone the workstreams which were designed to give effect to those recommendations?

So some of the workstreams came across your desk because they happened to be within the reach of the CMO.

So, for example, one was drafting a Bill called the

draft pandemic Bill to deal with providing the necessary regulatory powers for a pandemic, although in the event, as we all know, the lockdown regulations in the main were promulgated under earlier public health legislation dating back to 1964.

A second workstream was dealing with the medical and ethical consequences flowing from the terrible decisions of hospital staff to triage patients.

A third workstream was dealing with surge capacity.

A fourth was dealing with the impact in prisons.

Were you aware that of the 22 or so recommendations only, I think, a bare majority were actually completed or in part completed?

A. No, I wasn't. But the CMO has strength by being advisory and independent, so there is a limit to what that office can do with only 13 people. The Chief Scientific Adviser has 100 people.

MR KEITH: Thank you.

Would you give me one moment?

(Pause)

Dame Sally --

LADY HALLETT: Are you going on to a different subject?

MR KEITH: I was going to ask one more question, yes.

LADY HALLETT: On this one? Right.

MR KEITH: Just generally, and that, in fact, would conclude

my examination.

LADY HALLETT: Oh, right.

MR KEITH: You have been good enough to provide my Lady with a number of observations and thoughts and suggestions in relation to how this system could be made better. Are there any other general recommendations or suggestions that you'd like to make that we've not touched upon yet?

A. I -- I think there were two issues, as we went through Covid, that I saw that I worried about, and the first was that SAGE is by definition a biomedical model --

Q. Could you explain what you mean by that?

A. So it is about science and about health and very practical and evidence-based, and where the behaviour groups by B came in on behaviour, which is much more societal, which is where I'm going. They just opined based on no evidence that the public wouldn't like lockdowns so they wouldn't do it. There was no evidence, and what they should have said was, "There is no evidence, you will want to consider ..."

And it seemed to me that, sitting outside it all -- which gives you some advantages in thinking and challenging, of course -- that what we needed to do was balance the biomedical model with the economic and social, that ministers and government need to be presented not only with the biomedical advice but also

what's the impact on the economy, on the social cohesion of our community, and on education. And so we needed, as a nation, a second group advising on all of that, and I -- I wondered whether you would use, just as we have the Chief Scientific Adviser, perhaps the Chief Economist from the Treasury and the Bank of England to bring in education, well-being and all of those things, because I don't think we as a nation considered those issues effectively.

The other very big concern I had as we went through this was data, and how it was handled to help the nation do better. I mean, to find that Public Health England were collecting data into Excel spreadsheets is bad, but then didn't know they only had 300 lines so data dropped off the bottom, and they didn't know that they'd lost some patients at one point, is appalling.

But we weren't, as far as I could see, accessing and using all data. So before I go on, let me just say I was very quiet about Covid, because it seemed to me that a lot of people were commentating, and I know from when I was CMO that you know a lot, because people are synthesising stuff and there is data, and that many people were setting themselves up on experts on television who weren't and very few external people knew the whole picture, so I was keen not to.

The only time I did make comment was once in The Telegraph and that taught me I shouldn't do it again. Though the reason I did it, perhaps I could just say this, was because I had written a book. I thought that Covid would start a debate on the health of our public and inequalities and I wanted to contribute to that, and I've written a book, and I brought you a copy, my Lady, to give you for your summer reading.

LADY HALLETT: Thank you very much.

A. Because I thought you might find it interesting about these issues.

So I was quite careful. But the other thing I did do, because I didn't think we were using data well, is I raised £7.5 million and set up a charity called The Trinity Challenge to look at how we could use data from different sources better, to predict a pandemic, diagnose it, prevent it, manage it, and we got 340 applications from 62 countries, and we have the most amazing prize winners from all round the world, using data differently that could then help our response.

One of the second prize winners was from Cambridge, are mathematicians. 3.4 billion blood counts are done across the world. The print-out looks like when I was a student, which was decades ago. 80% are done on a Japanese technology where under the desk there's

a black box with 70 more parameters. Using data from Addenbrooke's Hospital in Cambridge from the year before Covid and then Covid, they think they've found the Covid signature.

Just imagine, using AI you can find that, so then as people come in you can stream them, you can triage.

The winner was a Thai one, where farmers photograph sick and dead animals and send it to a vet, who then begin to put data together and advise them, because it matters to them economically, but thinking about diseases in animals that could hop to humans, and visit if needed.

So I felt we could use data better and differently, and I think as we go forward we need not only to fund -- to work cross-government to make -- and it will be statutory, what's needed -- to make the resilience of the public health right, but also we're going to have to fund much better data, probably in partnership with academics, because governments find it difficult to be at the cutting edge.

I remember quite early in the pandemic some of our Cambridge mathematicians coming to me saying: the modelling's out of date and it's for flu, we can do much better. So I asked them to go to the Royal Society, and then they were brought in by Patrick Vallance into the

modelling, and then we had much better modelling. But we have to find ways to work much better with the cutting edge of our superb academics.

MR KEITH: May I be permitted to thank you for those thoughts. I should say that they're all areas which my Lady will be addressing in Module 2, so specifically data, the diversity and make-up of SAGE, and modelling.

But if I may ask you one further question, to tie some of the points that you've made to this module and preparedness.

You've referred to the fact that the advisers and experts who were having to grapple with Covid may have failed to pay sufficient regard to behavioural change, in essence the issue, if I can put it perhaps rather crudely, the possibility that the country and its citizens would react instinctively to the need to protect themselves from Covid, and therefore an issue arose as to whether or not a lockdown was required, because the populus might just self-isolate naturally and in any event.

Was behavioural change something that had come out of a survey of South Korea's response to the MERS pandemic, and which was the subject of a specific recommendation in Exercise Alice which was the assumed MERS exercise in the United Kingdom?

A. I don't think I know what you're getting at. What I would say as came out of both SARS and MERS in Asia was the desire when there's a respiratory risk to wear a mask, and WHO would not recommend masks because there were no randomised controlled trials. Well, blow me, you can't do a randomised controlled trial properly because you don't know whether someone's infected or not, you don't know whether they're wearing them properly or not. But common sense says that wearing masks will give some protection, and actually I think that's where the science has ended up.

So that came out of MERS and SARS, but that wasn't what you were getting at.

Q. The issue of behavioural change was something that was flagged up in the Exercise Alice report.

A. Yeah.

Q. But very little appears to have been done in relation to taking that thought or that workstream, to use a word beloved of the bureaucracy, further thereafter?

A. True, and I think I'm arguing by saying we need a separate committee that thinks about behaviour and society so that it's not locked into health behaviour people, but is a much broader church of experts.

Q. I'm sorry for turning my back, I do apologise, I was just receiving a message.

My Lady, I believe there has been a request under Rule 10(4) for me to ask a question about Exercise Cygnus, if I may do that.

I think the evidence shows that Exercise Cygnus was originally planned for 2014 but was delayed for a number of reasons. Can you recall why the carrying out of Exercise Cygnus was delayed?

A. Well, 14/15 was when we had Ebola, wasn't it? 14 to 16 was when Ebola was in West Africa. We mobilised -- we were asked by the Sierra Leone government to lead or to support them in their response, they had many cases, many deaths -- we mobilised a hospital ship, we mobilised military on the ground to build hospitals and diagnosis and treatment centres, we sent NHS staff. I mean, we learnt a lot, but --

Q. But it delayed the exercise.

Was there also not a strike by junior doctors, around about the same time, which impacted upon the operational date of the exercise? If you can't recall --

A. That would not, as far as I'm concerned, have impacted doing an exercise, but I think they were contemporary.

MR KEITH: All right.

My Lady, those are all the questions that I have for Dame Sally.

LADY HALLETT: Thank you very much.

Thank you very much indeed, Dame Sally, I'm very grateful, and I shall read your book.

THE WITNESS: Thank you.

LADY HALLETT: Summer reading, you said, rather than bedtime reading.

THE WITNESS: Yes.

LADY HALLETT: Thank you very much indeed for your help, and for your work.

THE WITNESS: Thank you.

(The witness withdrew)

MR KEITH: My Lady, that concludes the evidence for today.

LADY HALLETT: Very good.

Apologies to the stenographer for going on over the hour and a quarter, I hope she'll forgive us.

Very well, 10 o'clock tomorrow morning.

MR KEITH: Please.

LADY HALLETT: Thank you.

(3.30 pm)

(The hearing adjourned until 10 am on Wednesday, 21 June 2023)

I N D E X