

Witness Name: Gus O'Donnell

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UK COVID-19 INQUIRY

WITNESS STATEMENT OF GUS O'DONNELL

I, Gus O'Donnell, will state as follows:

Introduction

1. I am a crossbench member of the House of Lords. Between 1 August 2005 and 31 December 2011, I was the Cabinet Secretary.
2. This witness statement is served in order to address the queries that have been put to me by the UK Covid-19 Inquiry (the '**Inquiry**') in an initial request for information pursuant to Rule 9 of the Inquiry Rules 2006 (the '**Rule 9**').
3. The statement is divided into the following sections:
 - a. **Section A** provides a brief background on my career to date.
 - b. **Section B** deals with, and expands upon some comments I made in a lecture to the Institute of Fiscal Studies ('IFS') on 24 September 2020.

- c. **Section C** deals with wider questions of the UK's preparedness for a whole-system civil emergency, such as the Covid-19 pandemic.
 - d. **Section D** sets out my views on the structures, systems and processes within the Cabinet Office which could be improved to better prepare the UK for civil emergencies, such as pandemics.
4. Should the Inquiry have further questions, I am more than willing to provide any further information or assistance.
 5. I left the Cabinet Office in at the end of 2011, and no longer work within the civil service. Given the time which has passed since the events the Inquiry has asked me to comment upon, I am naturally reliant upon the limited number of documents provided to me by the Cabinet Office legal team in the course of preparing this statement. Given the timescales required by the Inquiry, I have not reviewed all of the documents I would have seen at the time. I have attempted to give an accurate response to the questions asked of me, based on my own recollection and the documents provided to me by the Cabinet Office legal team.
 6. I did not keep a diary, did not use WhatsApp at the time or and use my personal email for work issues. I have not been provided with my work inbox, which I understand would have been archived after I left the Cabinet Office and which has not been recovered for me before I have drafted this statement.

SECTION A

7. I started my working life as an academic teaching economics at the University of Glasgow. In 1979 I joined the Government economic service and was assigned to HM Treasury. I stayed there until 2005 eventually becoming Permanent Secretary. I had postings to Washington as a diplomat and as an executive director on the boards of the World Bank and IMF.
8. While I was Cabinet Secretary there were occasional crises but none as devastating as Covid-19. I spent some time ensuring the development of the Government's risk register. The first such register was published in 2008 and identified pandemic flu as one of our highest risks.
9. We had relatively minor problems with SARS and swine flu. There was also a nuclear issue with the Fukushima disaster, but that had little direct impact on the U.K. All these issues informed our approach to the major risks facing the country.
10. When handling these issues I worked closely with the Civil Contingencies Secretariat, run initially by Bruce Mann and then, from 2009 by Christina Scott. I also worked generally with the Chief Scientific Advisor, Sir David King.
11. After leaving government I became chair of Frontier Economics, a microeconomics consultancy. I am also President of the Council of the Institute of Fiscal Studies which is a London-based think tank. I have a particular interest in advocating that wellbeing should be the goal of public policy and co chair the all party parliamentary group on wellbeing. A full list of my interests is published on the House of Lords register of interests.

SECTION B

12. On 24 September 2020, I delivered the IFS Annual Lecture (held online). The title of the lecture was: 'The Covid Tragedy: following the science or the sciences'. I exhibit an extended version of the lecture (**GOD/1 – INQ000146039**).

13. It was not initially envisaged that I would deliver the Annual Lecture for 2020. I recall that we had an American Nobel Laureate lined up to deliver a lecture, but they had to pull out at the last minute. The IFS had asked me specifically to speak about Covid-19.
14. I had previously worked with a number of specialists from different disciplines to consider what kind of framework would be helpful for making the kinds of decisions that would be needed during the outbreak. The result was a working paper, published in April 2020, that set out how one might bring together all the different factors involved in decisions like whether to have another lockdown. This paper formed the basis for my speech to the IFS. I exhibit this paper at **(GOD/2 – INQ000146037)**.
15. When making the speech to the IFS, I took the opportunity to build on the ideas in the earlier working paper, arguing that there still did not appear to be an agreed framework for making the decisions needed during a pandemic. This critique was based on the absence of any published government papers explaining such a framework. As far as I know there are no published papers laying out such an approach. I followed up the speech with an article on similar lines which was published in Fiscal Studies, December 2020, co-authored with Harry Begg.
16. Within that speech, I made the following remarks:

“The government lacked and it still lacks a policy framework that can properly assess the costs and benefits of different measures. This is in part because the medical sciences have informed strategy far more than various other branches of science. A vital adjustment is needed now or the government will find itself forever stuck between a rock and a hard place.”
17. I have been asked to explain what kind of policy framework I had in mind when I was making the speech. When I was in post, between 2005 and 2011, as Cabinet Secretary, the key framework for assessing social cost-benefit analysis was the Treasury Green Book. I exhibit the 2022 copy of the Treasury Green Book as **(GOD/3 – INQ000092633)**. The opening paragraphs of the introductory chapter of that book sets out its purpose as:

“1.1 The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes and projects. It also provides guidance on the design and use of monitoring and evaluation before, during and after implementation. Appraisal of alternative policy options is an inseparable part of detailed policy development and design. This guidance concerns the provision of objective advice by public servants to decision makers, which in central government means advice to ministers. In arms-length public organisations the decision makers may be appointed board members, and where local authorities are using the method, elected council members. The guidance is for all public servants concerned with proposals for the use of public resources, not just for analysts. The key specialisms involved in public policy creation and delivery, from policy at a strategic level to analysis, commercial strategy, procurement, finance, and implementation must work together from the outset to deliver best public value. The Treasury’s five case model is the means of developing proposals in a holistic way that optimises the social/public value produced by the use of public resources. Similarly, there is a requirement for all organisations across government to work together, to ensure delivery of joined up public services.

1.2 The Green Book is not a mechanical or deterministic decision-making device. It provides approved thinking models and methods to support the provision of advice to clarify the social – or public – welfare costs, benefits, and trade-offs of alternative implementation options for the delivery of policy objectives.”

18. The techniques laid out in the Treasury Green Book were, and still are, routinely used in all kinds of decisions with policy implications, such as the decision as to whether or not to build a bypass, for example. There is now supplementary guidance on how to use a wellbeing approach to complex problems which was published on 26 July 2021 and updated on 18 November 2022.
19. Hence the basic Green book techniques were known to government at the start of the pandemic but I am not sure how far they had incorporated the supplementary guidance in their analysis. During my time these techniques were not used much as the macro implications of the kinds of pandemics envisaged were either small,

or not ones that would generate policies such as mass lockdowns, which would have required such a framework.

20. I consider that the principal features of such an approach would be:
- a. First, to agree on a numeraire, for example money or Well-Being Years (“WELLBYs”). This is because you are otherwise reduced to providing decision makers with lists, which are not much help when it comes to making difficult choices.
 - b. Second, to obtain evidence on the main factors which are relevant. At times this may mean collecting new evidence, as the ONS did during the pandemic.
 - c. Third, there would be a need to get agreed valuations for things like an extra year of life, and the cost of missing a year’s worth of face to face teaching
 - d. Fourth, the development and implementation of such a framework for making policy decisions would need a truly multidisciplinary approach. Obviously various health experts are invaluable, for example epidemiologists and those working on vaccines and new drugs. In addition, we need behavioural scientists to assess how to convince people to change their behaviours. Anthropologists can help with messaging. Statisticians are vital as simple, accurate and compelling ways of presenting data about the progress of the pandemic are needed. Economists can help bring all this together with estimates of impacts on incomes and wellbeing.
21. There are a wide range of factors which should be taken into account when setting a pandemic strategy. First and foremost, it is vital to remember that handling the next pandemic will be very different from handling the last one. People’s behaviour and understanding have been influenced by what they have gone through. Similarly our analytical understanding will have been enhanced by careful analyses of the Covid-19 experience. Countries adopted very different policies and that allows researchers to find out a lot about what works and what doesn’t.

22. I hope that governments will be prepared to develop broader frameworks along the lines I have suggested which allow for consistent decision making.

SECTION C

23. I have been asked to give my view as to how prepared the Cabinet Office was in its structures, systems and processes, for a whole-system civil emergency, such as the Covid-19 pandemic. I have also been asked what was done correctly by the Cabinet Office in relation to pandemic planning, preparedness and resilience during my tenure in office (that is, up to the end of 2011).
24. My view is that in 2010/2011 the UK was not particularly well prepared for a Covid-19 style pandemic. However, it is also the case that very few countries were well prepared, with the exception of those countries who had experienced bird flu. Some of the steps that were taken in response to the Covid-19 pandemic would realistically not have been conceivable or achievable in 2010/2011. I go on to address some of the structures and processes that were in place below.
25. As Cabinet Secretary, I would have received briefings on the civil contingencies programme of work, alongside briefing on emerging risks. Where the situation warranted it, I would attend COBR meetings. However, I did not have day to day involvement in this work. My recollection of it is limited nearly 12-18 years later, and as set out above I have not had available to me my email inbox/outbox from the time. Day-to-day leadership in the Cabinet Office was provided by the Security and Intelligence Co-ordinator (David Omand and his successors), and the CCS, which was led by Bruce Mann until 2009 and then Christina Scott. I have tried to put together the following brief overview with the assistance of the Cabinet Office legal team in order to assist the Inquiry. I do understand however that much of this period is covered by the Cabinet Office's statement on Module 1 signed by Roger Hargreaves.
26. I have also been asked whether the Government should have been better prepared for the Covid-19 pandemic. It is very difficult for me to say, because I am not aware of the level of preparedness there was in 2020 - I do not know what happened after I left. That said, as I said in my speech to the IFS *"in October 2019 the UK was*

ranked second for pandemic preparedness by the Global Health Security Index—a collaboration between the Nuclear Threat Initiative, Johns Hopkins University and the Economist Intelligence Unit – with the most prepared being the United States. As for state capacity, our civil service has been assessed as the best in the world by the recent InCiSE Index, the most comprehensive assessment currently available”. I analysed in that speech my understanding of what had occurred in 2020 when the government responded to the pandemic – that is putting preparedness into practice – which will be the subject of my evidence for Module 2.

27. I would comment that a lot of what was done prior to my leaving government involved stockpiling antivirals, PPE and so on (again, I do not know what happened after I left). That was incomplete, in the sense that there were other things that might be more important that were not being looked at, such as how to generate good data when there is none.

Structures and systems

28. I became Cabinet Secretary in August 2005. An influenza pandemic had been identified in 2004 as one of the top risks facing the UK. The first edition of the National Risk Assessment was circulated in 2005 and pandemic influenza came out top in that risk assessment, across both the threats and the hazards. The statement of Roger Hargreaves has set out an analysis of the National Risk Assessments from 2005 and I do not repeat that here.
29. Work to boost civil contingencies planning was started during Andrew Turnbull’s tenure (my predecessor as Cabinet Secretary). Such efforts were based on lessons learned from crises such as the foot-and-mouth outbreak in 2001, the 2000 fuel protests and the fire strike of 2002-3 (**GOD/4 – INQ000146038**). The Civil Contingencies Act had been passed in 2004, and I was not involved in its drafting, though I have discussed work done in relation to it below. Central Government arrangements were codified in the Central Government Concept of Operations for the Response to an Emergency (“CONOPS”), which was approved by ministers in 2005. Regional Resilience Teams had been established to coordinate planning and, where appropriate, the response to wide-area emergencies.

30. We were supported by the Civil Contingencies Secretariat ('CCS') which produced excellent work, such as (from 2008) the risk register which identified a pandemic as our most worrying risk. Understanding potential risks, including how likely they are and the impacts they may have, is an essential first step in managing them. The CCS coordinated the national risk assessment process. There is a well-established risk assessment methodology which receives input from external academics. Its effectiveness is reviewed regularly to ensure lessons arising from emergencies are identified and actioned.
31. During my time as Cabinet Secretary, CCS regularly convened meetings on both specific challenges and the wider risk picture with relevant departments to ensure a shared understanding of risks, and to agree on preparedness priorities. CCS also had a role in supporting and working with departments individually and collectively, providing support and coordination to a wide range of domestic and international emergencies.
32. Work on pandemic planning was of course not limited to the Cabinet Office. To the contrary, the Department of Health ("DH") was the lead Government Department and had the leading role in preparation for a pandemic, under the Chief Medical Officer. The Department of Health was responsible for identifying and assessing the risks, and for determining policy in preparing for a pandemic. As set out below, it was the Secretary of State for Health who chaired MISC32.

Work between 2005-2007

33. I have had a number of documents provided to me by the Cabinet Office legal team in relation to this section. I am aware that in November 2005 there were concerns being discussed between Bruce Mann and Sir Richard Mottram (then Security and Intelligence Co-ordinator) that the Department of Health did not have in place a sufficient command and control structure to handle an influenza pandemic. This was compared to Defra, which had by that stage experience of the foot-and-mouth crisis (**GOD/5 – INQ000146038**) and so had more developed structures to deal with disease.
34. In November 2005 I wrote to Patricia Hewitt, then Secretary of State for Health, informing her of the Prime Minister's agreement that she should chair a new

Cabinet Committee on Influenza Pandemic Planning (**GOD/6 – INQ000146036**). The MISC32 Committee involved all four UK nations as well as the Local Government Association. MISC32 ensured that those stockpiling ideas that we had—antivirals, PPE, antibiotics—were actually implemented.

35. I understand that in October 2005 the UK Health Departments published a UK Influenza Pandemic Contingency Plan, and following publication of this document in 2005 the Scientific Advisory Group on Pandemic Influenza (“SAG”) was set up to give advice to the UK health departments. I understand that under the auspices of the SAG, five scientific papers were developed in 2006, dealing with the risk of a pandemic originating from an H5N1 virus, and clinical countermeasures (antivirals, vaccines, antibiotics and facemasks).
36. Pandemic flu guidance was issued in 2007 (**GOD/7 – INQ000146032**). This was a document which was authored by the Department of Health and published by both that Department and the Cabinet Office. It superseded the UK health departments’ UK Influenza Pandemic Contingency Plan 2005.
37. In 2007, the "Overarching Government strategy to respond to an Influenza Pandemic—Analysis of the scientific evidence base" was published by Cabinet Office. This formed the basis for the Swine Flu Pandemic response that occurred in 2009. It was updated in January 2011, as set out below.
38. Also in 2007, DH founded the Pandemic Influenza Preparedness Programme (‘PIPP’), which is the umbrella programme for all activity to prepare to respond to a future influenza pandemic in England. The PIPP board met for the first time on 1 October 2007, and it was chaired by the DH Director with a CCS representative in attendance.
39. These programmes, structures and guidance documents were largely created by other departments or by the CCS within the Cabinet Office. Although a number would likely have passed across my desk at the time I do not have any independent recollection of them.
40. More generally I was concerned about aspects of the capabilities of government departments. I instituted capability reviews of all departments, including the

Department of Health. These reviews looked at the capability of departments with respect to leadership, strategy and delivery. The results were published.

Exercises

41. In June 2006 Exercise Shared Goal took place. This exercise tested response plans at WHO Pandemic Phases 4 and 5.
42. In 2007, the Winter Willow Exercise took place. Winter Willow tested our capability to respond during an influenza pandemic. This exercise was led by DH. The lessons learned from Exercise Winter Willow informed the development of response plans for the Swine Flu Pandemic, including the approach to stockpiling antivirals.
43. I do not believe that I was directly involved in these exercises and at this remove have no recollection of their outcome.

The Swine Flu Pandemic

44. The Swine Flu Pandemic caused 457 deaths in the UK, running from April 2009. On 10 August 2010, the WHO declared the pandemic officially over. Most cases in the UK were relatively mild. The government's actions during Swine Flu did not include closing borders, quarantine, or the restriction on mass gatherings.
45. Following the Swine Flu Pandemic, an independent review was undertaken, sponsored by the Cabinet Office, and led by Dame Deirdre Hine, which reported in July 2010 (the 'Hine Review'). It made a number of recommendations on the planning and response to future pandemics.
46. The Hine Review found that:
 - a. the planning for a pandemic was well developed;
 - b. the personnel involved were fully prepared;
 - c. the scientific advice provided was expert;
 - d. communication was excellent; and
 - e. the NHS and public health services right across the UK and their suppliers responded splendidly and the public response was calm and collaborative.

47. The Hine Review concluded that the government's handling of the pandemic was 'highly satisfactory'. The findings of the Hine Review were reflected in the revised 2011 UK Influenza Preparedness Strategy ('2011 Preparedness Strategy'), mentioned previously. Other reviews also took place, for example the Blakett Review. These are dealt with in Roger Hargreaves' statement.

48. I have not been provided with my email correspondence in this time, but I do recall that in 2009, we actually received criticism for having spent too much money in certain areas. That was counterproductive. I consider that it is important that it is accepted that when these emergencies happen, the value for money consideration that is normally applied may need to be suspended, since there needs to be swift action. Civil servants need to feel safe in acting to cut through problems: they actually need to throw money at certain things and need to do it quickly. Although the worst did not eventuate in the Swine Flu pandemic in 2009, there was an element of luck in that, in that we were aware from scientific advice as to the risk of a worst case virus that not only was quite lethal, but also had a high level of transmission.

Work post 2009

49. In March 2010, the Cabinet Office published 'Responding to Emergencies: The UK Central Government Response - Concept Of Operations' (CONOPS). The document sets out arrangements for responding to and recovering from emergencies, irrespective of cause or location, requiring coordinated central government action which could include direction, coordination, expertise, or specialised equipment and financial support. The aim of the document was to outline the general framework and UK-approach in responding to a disruptive challenge.

50. Following the general election in May 2010 the incoming coalition government instituted a spending review. The budgetary constraints across government at the time also impacted on resilience. For example, the Government Office Network was abolished, and resilience issues were picked up by other departments.

51. In the same year, the coalition government also published a National Security Strategy ("A Strong Britain in an Age of Uncertainty") which set out the methodology for the first National Security Risk Assessment. Transmission of a

new-to-the-UK, highly infectious, deadly disease would be included in the NSRA. This included an influenza pandemic, which was seen as the reasonable worst-case scenario, but also covered a SARS-type outbreak.

52. The 2011 Preparedness Strategy was a cross-government strategy developed jointly with the Devolved Administrations. It was sent to me (**GOD/8 – INQ000146034**). It was authored by the Department of Health Pandemic Influenza Preparedness Team.

Planning and preparedness

53. As a result of the above planning, the Government invested in a number of tried and tested systems to respond to and mitigate the impact of such a pandemic. These included (as set out in part in the National Risk Registers (**GOD/9 – INQ000055875**) and (**GOD/10 – INQ000012665**)):
 - a. Surveillance and modelling systems for pandemic influenza and other emerging infectious diseases. Such systems included the provision of surveillance, detection, diagnosis and specialist services by the Health Protection Agency's Centre of Infections.
 - b. Collaboration with international partners on prevention, detection and research.
 - c. An Advance Purchase Agreement to secure access to an influenza vaccine which had been available since July 2007.
 - d. Stockpiles of clinical countermeasures such as antiviral medicines to treat influenza and personal protective equipment for front-line healthcare workers. Antiviral stockpiling started in 2006/7 and was increased in 2009 during the Swine Flu pandemic to treat up to 80% of the population; PPE stockpiling started in 2008/9; and antibiotic stockpiling started in 2009/10.
 - e. Tried and tested surge plans and mechanisms to reduce pressures on primary care services, including the National Pandemic Flu Service. The first contract for this was signed in December 2008, before the service was first used in July 2009;
 - f. Providing information and guidance to the public in the National Framework for Responding to an Influenza Pandemic published in November 2007 and the UK Influenza Preparedness Strategy published in 2011, which included lessons learned from the 2009 H1N1 pandemic, as mentioned above.

- g. The creation of a Department of Health-led contingency plan for dealing with SARS which would provide the basis for dealing with any future SARS outbreaks, building on generic responses to outbreaks of infectious diseases, and lessons learned during the SARS outbreak.
 - h. The provision of information on pandemic influenza for British nationals living overseas, as well as travel advice by country, on the Foreign and Commonwealth Office's website.
54. Planning for a future influenza pandemic was based on a reasonable worst-case scenario, which was, in turn, informed by scientific, clinical and operational advice. The plans supported a strategy to minimise the spread of infection and treat individual cases in a future influenza pandemic equivalent to the reasonable worst-case scenario.
55. I and my colleagues worked to ensure that the preparations for a pandemic had cross-Party support and were not a matter of political controversy. That included oral briefings of Opposition spokesmen. One of the difficulties in government is that although an issue can be at the top of the risk register, the immediate and the visible overtake the longer term and the invisible. It is in my view very hard to get Ministers to decide to spend some of a very scarce budget on things that it is hoped will never get used. That is a problem with our system that need to be solved. In our time with the CCS we got cross-party agreement on a lot of plans, which was crucial.
56. The Cabinet Office has no formal powers to ensure co-ordination and accountability across departments, but we had political persuasion. Our role really was to look at the civil contingencies, develop the risk registers and put across mitigating actions to Departments.

Civil Contingencies Act 2004

57. I have been asked about the Civil Contingencies Act 2004, which came into force before I became Cabinet Secretary. In 2006 the Cabinet Office in consultation with the Health Departments and with other Government Departments produced a document entitled "Contingency planning for a possible influenza pandemic", which

provided information and advice for Category 1 and 2 responders under the Act (GOD/11 – INQ000146031).

58. I have been asked whether I had any views about the effectiveness of the Act. We took the view that the Civil Contingencies Act gave us quite a lot of control. If, in the event of a crisis, we needed legislation which gave more control, then in such circumstances, with the nature of the crisis being so pervasive, we would be able to do that quickly. We were however considering circumstances which were less severe than the Covid-19 pandemic. In the context of the Covid 19 pandemic, it was right to have the CCA there but to have the possibility of doing more beyond the Act, given that it was a much bigger issue than we had contemplated, and that it was handled with much more draconian steps that had been anticipated.

Engagement with the business sector

59. Prior to the beginning of the Relevant Period, the Cabinet Office convened a forum of representatives of different business sectors. This started as the 'Business Forum on Pandemic Flu planning', which was formed in 2005 by the CCS to widen engagement with the business community on pandemic issues and encourage a mutual exchange of views and best practice on flu pandemic planning. In 2008, this was superseded by the Business Advisory Group in Civil Protection ('BAGCP'), also convened by the CCS. The BAGCP worked to support an open, constructive and representative relationship between government and business in the area of civil protection. During the Swine Flu response in 2009, the CCS convened the Business Advisory Network for Flu ('BANF') which was developed to assist in the delivery of co-ordinated advice to employers and situation awareness. The BANF was replaced by the Civil Contingencies Network for Business in 2010.

National Security Council (Threats, Hazards, Resilience and Contingencies) Committee

60. Prior to 2010, for a civil or non-terrorist domestic emergency, the Civil Contingencies Committee (a cabinet committee) would meet, bringing together ministers and officials from the key departments and agencies involved in the response and wider impact management, along with other organisations as appropriate. In 2010 the Civil Contingencies Committee was replaced in the COBR

structure by the National Security Council (Threats, Hazards, Resilience and Contingencies) ('NSC(THRC)'), a sub-committee of the National Security Council.

Conclusion of Section C

61. Given all of the above, I reiterate my view that there was significant preparedness for a pandemic in 2011, which was comparable to other countries in the world, but in hindsight the country was not prepared for a pandemic such as Covid-19.

SECTION D

62. I have set out above in section B the features of an approach I consider could be adopted by the UK to assist in preparing for civil emergencies, such as pandemics.
63. I have been asked which principal structures, systems and processes within the Cabinet Office could be improved to better prepare the UK for civil emergencies, such as pandemics.

Funding for resilience and the spending review process

64. It can be difficult in my experience to persuade departments and in particular the Treasury to fund resilience preparedness. There are two reasons why the Treasury does not do this. First, it requires spending money now for something that may never happen, and that is hard to persuade people to do. Secondly, there is an established and reasonable principle that Government does not insure against potential risks because it is big enough to cover the risks itself if they eventuate.
65. This means that the Treasury is instinctively less likely to provide funding to protect against future risks.
66. To overcome this, I have previously believed that there is a case for creating an external body (this might be akin to the Monetary Policy Committee, or the Office for Budget Responsibility) to make the Treasury do something rather different from what it would normally do and make it think about long-term fiscal issues. Such a body can have a longer-term view and can get the media onside and start to say, "Look, there are these real problems". A good example is the National Cyber Security Centre ("NCSC") (though ideally a body dealing with resilience would be

more independent). The NCSC not just with government but also the private sector to give advice. It would be useful to consider how other countries do this.

67. Attracting the best staff is also an issue. These are incredibly interesting and responsible jobs, but pay is particularly difficult in certain areas, such as procurement. We do have some capabilities and skills shortages. In digital and dynamic areas, we need to be more open. We need to understand the need for a much broader range of skills.
68. On the private sector side, to my mind the solution is in the regulatory structure. These areas are generally regulated sectors — the energy sector, or water. “Smart regulation” can do the right things. Smart regulation means focussing on the ultimate outcomes you want to achieve. Work needs to be done on what the appropriate regulatory structure is that will incentivise the private sector to deliver those outcomes.
69. I also suggest that it should be ensured that not only all public but also all private regulated bodies in the critical infrastructure space have an audited business continuity plan. There should be a statutory duty for that to be published.
70. Getting the correct bodies set up is very important, but I have found clarity of responsibility about who is in charge also to be very important when dealing with a crisis. It is when you do not have that clarity that things start to fall apart.
71. Further, I would suggest that it would be important to look at the spending review process: to establish when we do spending reviews, whether we can set up structures so that Parliament has a very clear role in looking at whether those contingency spends have been made. That could be done by the Public Accounts Committee (PAC) or various other Committees. Spending reviews also ought to be longer, to promote long term thinking – for example there would be a five year spending review to match a five year fixed parliament.
72. Further, I believe that the PAC and National Audit Office should be reviewing preparedness before a crisis hits, in order to prevent failings, rather than reporting on them subsequently.

Questions asked in resilience reviews

73. A lot of time is spent in resilience reviews looking at who might cause us harm, and why, when crucially what should really be asked is “what are you going to do about it?” and “how do you keep things working?”. There should be an emphasis on built-in redundancy, that is ensuring that if one area is failing then the system does not fail. This can be done through war gaming and stress testing beforehand.
74. Bureaucracy can be very inflexible in a crisis. We should be asking how to make it more flexible, and maintain accountability, in a situation where there is a need to move much more quickly. There should be also some process that says, “Are we doing what we said we would do?” and asking, “Has anyone actually put any money behind this?”. That is to say, as above, to check that in any spending review there are funded contingency plans so that departments would preserve their funding or (for example) their PPE stocks, and not allow them to lapse or be run down with the plan to restock later.
75. Communications are also important. The UK is quite good at responding to short-term crises, such as terrorism. When it comes to longer-term crises different considerations come into play. It is thought that Covid-19 was a health crisis, but in fact it was a mixed crisis. Until vaccines and treatments that work were available, it was solved by economic and behavioural means, and by communicating with the public, so a mix of skills was needed. Resilience strategy needs to think about how we are to cope with those sorts of more complicated, longer-term issues, which in my view should be handled not via COBR but via different processes.

Mechanisms for risk assessing non-security related threats

76. I consider that there is a lot to be said for separating threats and hazards when dealing with National Security Risk Assessments. I also think that there is a bias in these security risk assessments. We look at national security through the lens of securocrats, who think about these things in a particular way. But the risk that I pointed out when I left office at the end of 2011 was the break-up of the United Kingdom—a constitutional shock. I do not think anyone has done a contingency plan for the break-up of the UK. Nor have they done one for trade wars. There was not one for the global financial crisis. There is a strong bias in these assessments towards particular areas: health, biosecurity, defence, terrorism and so on. In lots of other areas, the Treasury has long resisted having anything to do with its business or international risk register. To this day, that culture has not changed enough, in my view.

77. Likewise, the National Security Council is exactly the right body to handle national security-style issues, where the intelligence agencies, the Ministry of Defence and so on are needed around the table. But it would be completely hopeless for a global financial crisis. Something completely different would be needed in terms of both structures and understandings. In my view we need some different structures, but we also need to improve our understanding of what happens when there is a constitutional crisis or a collapse in trust in government.
78. I believe that we need to consider how government is to make decisions when there is uncertainty, and how it is to communicate uncertainty. In my view there is a need to get analysis done as independently and objectively as possible, so that people understand what the big issues are, (for example, what the consequences would be of a global trade war)so that we can work on these things. We need to ensure that we get the necessary data early enough.
79. There is also a need to open up the conversation so that certain concepts are more readily accepted. We need to talk about value-of-life issues which are currently taboo. We need to ensure that it is the military's job to assist when needed.
80. Finally, whilst the NSRA is useful there needs to be more of a challenge, a "red team" to it so that we can plan for the unexpected. For example, I hope that there is now a plan for a disease which is not only highly transmissible but also highly fatal.

Collaborative working

81. It is clear from the work on vaccines that if the world's scientists look at a problem, a solution is found. I have previously set out in 2015 the need for a Global Apollo programme relating to climate change. The learning from this crisis should be applied to climate change: that is, if you are able to get all scientists looking at one issue you can make incredible progress.

Statement of Truth

I believe that the facts stated in this statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief of its truth.

Personal Data

Signed: _____

Dated: __13 April 2023_____