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THE INDEPENDENT UK COVID-19 INQUIRY

**CORPORATE WITNESS STATEMENT OF THE DEPARTMENT FOR BUSINESS,
ENERGY AND INDUSTRIAL STRATEGY**

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Section 1: Introduction

- 1.1. I, Sarah Munby make this statement on behalf of the Department for Business, Energy and Industrial Strategy (**BEIS**) or (**'the Department'**). I am providing this written statement in response to the Inquiry's Rule 9 request dated 21 November 2022 (**the 'Rule 9 request'**).
- 1.2. I was employed by the Department as Permanent Secretary from 20 July 2020 until 7 February 2023. I had overall responsibility for the effective running of the Department, in addition to my responsibilities as Accounting Officer.
- 1.3. The Inquiry has asked the Department to respond to a series of requests for information, which principally concern the UK Government's resilience and preparedness for a pandemic insofar as it relates to BEIS. The Inquiry has asked that in responding to the request the Department should focus on the time period between 11 June 2009 and 21 January 2020.
- 1.4. This statement covers the time period when my predecessors as Permanent Secretary and Accounting Officer, Alex Chisholm and Sir Martin Donnelly were in post. I have shared this statement with these individuals for comment in order to share any professional observations. Throughout the statement it is made clear where their personal recollections and reflections have been included. I have also made clear where I have put forward my own personal reflections. For the most part, however, this is a "corporate" statement in the sense that I have drawn and relied upon extensive input from colleagues.
- 1.5. As the majority of the events referred to in the Rule 9 request took place prior to my tenure, in preparing this statement I am reliant upon the work of the Department's Inquiry response unit and upon the recollections of current and former officials from my department and its predecessors, the Department of Energy and Climate Change (**DECC**) and the Department for Business, Innovation and Skills (**BIS**). My statement relies heavily on these contributions and upon a review of contemporaneous written material compiled by colleagues.
- 1.6. My statement should be read subject to the caveats above. Colleagues and I have done our best to assist the Inquiry on behalf of the Department. If further material is made available to me, I would be happy to add to or clarify this statement to take it into account.

- 1.7. In Sections 2-6, I address the topics that the Inquiry has asked BEIS to consider and, where necessary and within these, I have addressed all matters that I consider would be helpful to the Inquiry. The topics include:
- a) A summary of the development of BEIS and its Departmental predecessors.
 - b) A summary of the readiness and preparation of BEIS in relation to emergencies and its response to Covid-19, including a review of the Department's contingency plans.
 - c) A summary of BEIS' engagement with business sectors and economic shocks preparedness.
 - d) A summary of BEIS' planning for a pandemic and an assessment of past simulation exercises and near pandemic events (including a summary of BEIS' critical reflections and lessons learnt from Covid-19).
- 1.8. As there are a number of acronyms used in this statement, I have included a list of all those used within this statement at Annex A for ease of reference.

About BEIS and its predecessors

- 1.9. To assist the Inquiry, I set out below a summary of BEIS and its predecessors' history and key functions.
- 1.10. The Department of Trade and Industry (**DTI**) was a government department formed on 19 October 1970. DTI was responsible for UK Government policy in the following areas: company law, trade, business growth, innovation, employment law, regional economic development, energy, science and consumer law. On 28 June 2007, DTI was replaced with the creation of the Department for Business, Enterprise and Regulatory Reform (**BERR**) and the Department for Innovation, Universities and Skills (**DIUS**).
- 1.11. BERR was set up to lead work on creating the conditions for business success through competitive and flexible markets that created value for businesses, consumers and employees. On 5 June 2009, BERR merged with DIUS to create BIS. BIS sought through investment in skills and education to promote trade, boost innovation and help people to start and grow businesses. Its remit also included the protection of consumers and the development of government policy in areas of business regulation and support. A Machinery of Government (**MoG**)¹ change in 2011 moved IT, telecoms

¹ A MoG change typically refers to the transfer of the functions of one ministerial department to another, this might occur, as was the case for BEIS in 2016, where the functions of two departments are merged to form a new department.

and digital portfolios from BIS to the then Department for Culture, Media and Sport (**DCMS**).

- 1.12. On 14 July 2016, following a further MoG change, BIS merged with DECC to form the Department for Business, Energy and Industrial Strategy (**BEIS**). The universities and skills policy portfolios were transferred to the Department for Education (**DfE**) at this time. BEIS currently has key responsibility for government policy in the following areas: business, science, research and innovation, energy and clean growth and climate change.
- 1.13. Attached to this statement is Annex B which sets out a list of the Ministers and Permanent Secretaries responsible for each Department for ease of reference.

Terms used in this Statement

- 1.14. The Cabinet Office (**CO**) 2013 guidance entitled “Emergency Response and Recovery” defines a number of technical terms used in emergency response such as Lead Government Department (**LGD**), Gold Command and Concept of Operations (**CONOPS**) (**SM/1, dated 28 October 2013, BEISP00000717**). I have included explanations of these in this statement where this is needed to provide context. I have not repeated full details and definitions here, but full details can be found in the 2013 guidance document.

Key decision making bodies and decision making individuals

- 1.15. The Inquiry has asked the Department to set out the **key decision making bodies** and **decision making individuals** within the Department with responsibility for key preparedness and resilience functions. Details of this are set out at Annex C.

Section 2: Organisation of emergency preparedness of BEIS and its predecessors

- 2.1. I will now set out the development of BEIS during the date range stipulated by the Inquiry, 11 June 2009 – 21 January 2020, insofar as it is relevant to the Department's resilience and preparedness for a pandemic. The Inquiry should note that in explaining how the Department has evolved over the years (section 2) and how the Department has prepared itself for emergencies particularly those relating to pandemics (section 3), I will set out, where applicable, how the Department works with and cooperates with other government departments (**OGDs**), the Devolved Administrations, local and regional entities and private entities in relation to key preparedness and resilience functions. This section does not cover the work of BEIS partner organisations which I understand is out of scope for the Rule 9 Request. However, if the Inquiry requires this information, I will be in the position to provide it upon request. A list of BEIS partner organisations in 2020 is attached at Annex G. In this statement, I have briefly set out the role of five partner organisations in order to assist the Inquiry's understanding of the Department's resilience and preparedness for a pandemic. The partner organisations referred to in this statement are as follows: - (a) Civil Nuclear Constabulary (**CNC**) (paragraph 3.26); (b) Nuclear Decommissioning Authority (NDA) (paragraph 3.29); (c) UK Space Agency (**UKSA**) (paragraph 3.51); (d) UK Research and Innovation (**UKRI**) (paragraph 4.45); and (e) British Business Bank (**BBB**) (paragraph 4.49).
- 2.2. The Department has been subject to a number of MoG changes in the time period covered by this Inquiry module. I have set out these arrangements below so that the Inquiry can understand how emergency response and resilience arrangements changed over time, including governance structures and resourcing.

Department of Trade and Industry

- 2.3. As set out above, DTI was operational between 1970 and 2007 and in that time the Energy Markets Unit, Energy Innovation and Business Unit and the Licensing Unit within the Energy Group of DTI were responsible for emergency response.

Department for Business, Enterprise and Regulatory Reform

- 2.4. BERR was operational from 2007-2009 and emergency response in BERR was coordinated from the Chemicals and Resilience Unit, liaising with individual sector teams as required.

Department for Business, Innovation and Skills

- 2.5. BIS was operational from 2009-2016 and during this period was designated LGD for emergencies affecting the Critical National Infrastructure (**CNI**) sectors of Chemicals (a CNI sector from 2015), Space (a CNI sector from 2015), Postal Services, and Telecoms (until 2011, when responsibility moved to DCMS).
- 2.6. As the LGD, BIS responsibilities included: ensuring that appropriate plans existed to manage those emergencies on which they led; ensuring that adequate resources were available; and leading on public and parliamentary handling in the event of an emergency. In the most serious circumstances, this could involve the activation of COBR (Cabinet Office Briefing Rooms) to facilitate rapid co-ordination between departments and collective decision-making.
- 2.7. This section has been drafted based upon the best recollections of former BIS staff and records searches.
- 2.8. BIS had an emergency response plan and structure which involved bringing together different teams and key roles across different parts of the organisation whose activities were managed and co-ordinated by the central team. Teams and individuals were either nominated to play an important role in emergency management based on their knowledge, skill set and experience and/or volunteered to engage in both planning and response. The teams would usually be led by an SCS level Incident Controller (**IC**). The ICs were on a rota and on call 24 hours a day, 7 days a week. The ICs were not only responsible for leading the Department's response but also for liaising with the Cabinet Office and Other Government Departments. Separate arrangements were in place for managing the policy/sector impact of emergencies which affected the UK's Critical National Infrastructure. The relevant policy officials were expected to lead BIS' response to an emergency affecting the Critical National Infrastructure sectors for which BIS had responsibility.
- 2.9. In addition, a Eurozone Reservist Network (**ERN**) was created in 2012 following the Greece and Eurozone financial crisis. By way of background, BIS had responsibility for the management of the business work strand for Eurozone and other crises impacting on UK businesses. To assist with this work strand, the BIS ERN was set up and consisted of staff drawn from across BIS who could be called upon to join the crisis response at short notice, with the approval of their line manager. The ERN reported directly to the Director General for Economics and Markets who had responsibility for leading the overall response. The key roles of the team included gathering intelligence in order to provide situation reports (**SitReps**), managing communications with key

stakeholders, providing ad hoc briefing to ministers and senior officials, providing support to BIS helpline by updating call scripts and considering policy issues in response to an unfolding emergency situation.

- 2.10. Prior to October 2014, responsibility for emergency response and resilience in BIS was within the Shareholder Executive² within the Department. This responsibility moved in October 2014 to the Ways of Working team in the Corporate Effectiveness Directorate (CED)³ which was located within the People, Strategy and Higher Education Group. The transfer was intended to move crisis management closer to the core of the Department, where it would be easier to speedily engage policy teams and the Executive Board. This was part of a wider modernisation of departmental structures at the time. The Ways of Working team also had responsibility for a varied portfolio of corporate activities, including estates management, change management in relation to staff, use of office space and oversight of departmental shared services.
- 2.11. In February 2014, officials met to discuss BIS' civil emergency response arrangements. They aimed to identify issues with and gaps in the arrangements and processes in place at that time and any action necessary to improve the Department's emergency response capacity and capability. The notes of this meeting are exhibited to this statement at **[SM/2 – BIS meeting on Civil Emergency Response, dated 14 February 2014, BEISP00000718]**. Subsequently, on 12 March 2014, the BIS Operations Committee, which had responsibility for operational issues within the Department, met to discuss BIS' Emergency Response arrangements⁴. Andrea Young, the then Director of Enterprise for BIS, conducted a light touch review into BIS' handling of emergency response and presented a paper to the Committee. The paper **[SM/3, Transfer of resilience responsibilities from Information economy to CED, dated 12 March 2014, BEISP00000721]** recommended that:
- a) BIS be better prepared to respond to emergencies with a process or procedures in place for handling emergencies, including escalation of issues and contacts for key officials.

² The Shareholder Executive (ShEx) managed the government's shareholder relationships with businesses owned or part-owned by the government. In April 2016 the Shareholder Executive was brought together with UK Financial Investments (UKFI) under a single holding company – UK Government Investments (UKGI) as part of the government's plan to deliver a centre of corporate finance and governance expertise for government and was the responsibility of the Chancellor of the Exchequer.

³ The Corporate Effectiveness Directorate (CED) was positioned within the People, Strategy, and Higher Education Group which provided strategic leadership across the Department's policy agenda and was responsible for the Department's Boards and Committees, Civil Service Reform, corporate projects, ways of working, internal communications and policy delivery reform.

⁴ The BIS Operations Committee was made up of Director Generals and Directors and met monthly. It ensured the smooth running of operations in BIS and across partner organisations.

- b) There should be clear accountability for decisions including board level ownership of the BIS emergency response arrangements.
- c) The CED should take on responsibility for coordinating contingency planning and National emergency response and for providing more support to on call Incident Controllers (with resource transferred from Information Economy Directorate).

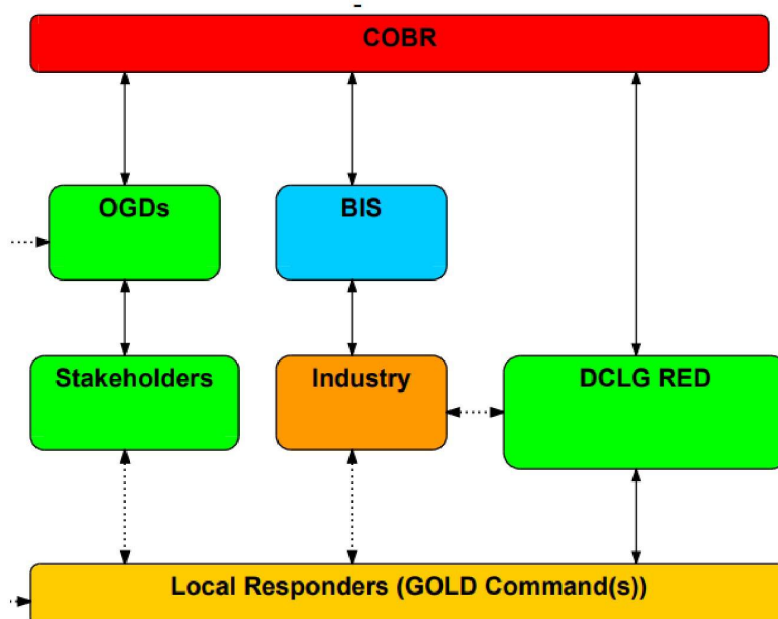
2.12. The Committee agreed with the paper's recommendations and the actions were identified for the Ways of Working team, who would take on responsibility for emergency response subsequently, to review the current approach. **[SM/4 Operations Committee meeting minutes, 12 March 2014, BEISP00000720 & SM/5, Operations Committee briefing, 12 March 2014 / and BEISP00000719].**

Details of how emergency response operated in BIS and improvements over time

2.13. In May 2014 the first draft of BIS' Emergency Operations Handbook (EOH) was published. The EOH set out how the Department responded to emergencies. The EOH is exhibited to this statement at **[SM/6, dated May 2014, BEISP00000722].**

2.14. The overall aim of the EOH was to ensure that protocols, roles and interfaces for response were agreed and exercised in advance of an emergency occurring. The EOH set out the national response structure, which was how BIS interacted with stakeholders, industry, OGDs and COBR when responding to an emergency. This is illustrated in the diagram at page 3 of the EOH.

Figure 1: National Response Structures



2.15. The EOH also set out the emergency framework and key roles at page 4 and described the role of the Joint Response Team (**JRT**) in an emergency. The JRT was led by the incident controller and was the interface between industry sectors, the Department and the central Government. It provided direction where necessary to COBR and its main responsibilities were:

- a) To gather information from industry, OGDs and other sources with regards to the causes, development and consequences of an incident;
- b) To respond and minimise the consequences of the incident - for instance, by recommending or implementing specific government (emergency) powers; and
- c) To provide continuous support to the press office.

2.16. The EOH set out the actions that would need to be taken should an emergency arise out of hours (page 5 of the EOH) or during working hours (page 6 of the EOH). Should an emergency arise, the incident controller made a decision as to whether to activate a JRT and ensured that communication lines were open by notifying the Private Office, press office, CO and industry representatives. The JRT consisted of the incident controller (who as stated above, would lead the response), industry liaison managers, support managers, briefing managers, log keepers and, if required, a deputy incident controller, press officer, team leader and lawyer. The table below gives a very brief overview of the key roles that made up the JRT. Full details of the respective roles can be found on pages 14-22 of the EOH.

Job title	Role
Incident Controller	Lead the response to an emergency and the role involved making a decision on whether to activate JRT, making recommendations on whether to escalate to COBR, confirming priorities and objectives and liaising with the press office
Support managers	Managed and coordinated the operation and activities of JRT including reviewing the resource requirement and seeking volunteers to assist JRT
Industry liaison manager	Helped to mobilise the initial response team and also to gather and analyse information from industry, OGD and other sources with regards to causes, development and consequences of the incident
Briefing manager	Responsible for compiling all the information into a SitRep for COBR meetings (both at ministerial and official level) and issuing briefings to ministers offices and press office. The briefing

	manager would act as lead on ensuring actions from briefing meetings are distributed and acted upon
Log keeper	Would keep an accurate record of all decisions made during the response to the emergency along with supporting information and relevant document.

- 2.17. The EOH set out that at the end of the response to an incident, the support manager should conduct a review on how the response was managed. This would provide an opportunity to review the response activities and, where appropriate, identify lessons learnt which would then be disseminated to the CO and OGDs. The EOH stated that, if required an implementation plan would be put in place to ensure that lessons identified were applied and put into practice.
- 2.18. On 2 December 2015, the Government Internal Audit Agency (**GIAA**) [**SM/7, Report from GIAA to BIS, dated 2 December 2015, BEISP00000731**], an executive agency of His Majesty's Treasury (**HMT**), (established in 2015 to improve the quality of internal audits provided to Government), delivered a report on emergency response in BIS which gave a 'moderate' (yellow) rating.⁵ I have set out the definitions of the various audit ratings in Annex D.
- 2.19. The report identified areas in which BIS could further improve emergency response capability. For example, gaps were identified around identification of roles and responsibilities for emergency management, consistency of approaches by policy teams in following standard emergency protocols and in formal arrangements to test emergency plans. Proposed actions were set out to deal with these issues with a target date set for completion and these can be found on pages 10–12 of the audit report. Examples include: to document/flowchart a proposed generic plan, structure, roles and sequence of actions of those involved in the response and to develop and implement robust processes to identify and capture lessons learnt.
- 2.20. Full details of all management action taken following the 2015 GIAA audit can be found at [**SM/8 - undated, BEISP00000781**]. The Department took steps to deal with the action points raised in order to further strengthen response capability. These included creating a visual BIS emergency plan flowchart with roles clearly identified and carrying out a review of the emergency response plan on a quarterly basis. The team also held annual resilience meetings with policy leads in the chemical, space and postal sectors,

⁵ A 'moderate' rating means that in the auditor's opinion, some improvements were required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

business continuity leads, crisis management leads and the BIS reservist network. These meetings discussed roles and responsibilities, potential risks for the Department, up to date/accessible resource data and lessons learnt.

- 2.21. In June 2017 (following the MoG change merging BIS and DECC to form BEIS), there was a further internal review into BEIS' emergency response processes and procedures. This review, along with the GIAA review that took place in 2018 are covered at paragraphs 2.32 - 2.39.

Department of Energy and Climate Change

- 2.22. DECC was created on 3 October 2008 to take over functions related to energy from BERR, and those relating to climate change from the Department for Environment, Food and Rural Affairs (**DEFRA**). Staff with expertise in emergency response and resilience from BERR and DEFRA were transferred to DECC. During this period, DECC was the designated LGD for emergencies affecting the CNI sectors of energy and civil nuclear.
- 2.23. In DECC, emergency response and preparedness within the energy sector was coordinated by the Energy Resilience Team (**ERT**), working closely with the Civil Nuclear Team who were responsible for planning and responding to incidents within the civil nuclear sector.
- 2.24. DECC had established procedures for its response to emergencies affecting the energy and civil nuclear sectors following the good practice set out in the 2013 Cabinet Office guidance. This included:
- a) A CONOPS document which set out the DECC arrangements for responding to and recovering from emergencies. The main purpose of this document was to ensure that agreed ways of working, roles and responsibilities for response were understood and exercised by all staff with emergency responsibilities in advance of emergency. The August 2014 and March 2015 CONOPS, which are broadly similar, are exhibited to this written statement at **[SM/9, DECC CONOPS, dated August 2014, BEISP00000723 and SM/10, DECC CONOPS, dated March 2015 BEISP00000725]**.
 - b) An Emergency Response Rota to ensure that staff from key sector policy teams were available to provide the immediate Departmental response to an out of hours emergency. The Emergency Response Rota included a combination of individuals in the affected area and volunteers from across the Department.

- 2.25. DECC officials contributed to cross departmental preparedness work co-ordinated by Cabinet Office. This included planning for the risk of a pandemic which was (and continues to be) “risk owned” by the then Department of Health (**DH**) (this means that DH is responsible for managing the risk) as identified in the National Security Risk Assessment (**NSRA**) (and its predecessor documents – the National Risk Assessment (**NRA**) as well as the publicly published National Risk Register (**NRR**), previously known as the National Risk Register of Civil Emergencies (**NRR**)).⁶ The NSRA identified and assessed future security risks, generated actions and offered evidence to enable Government to undertake contingency planning. This risk was used to inform DECC’s energy sector plans and work with industry, in preparation for potential risks.
- 2.26. For example, the Energy Emergencies Executive Committee (**E3C**), a group of key external stakeholders’ representative of energy companies and energy infrastructure set up the Pandemic Steering Group (**PSG**) in 2009. The PSG was placed in abeyance by E3C in 2011 as the planning for the sector was seen as robust. It was subsequently reconstituted in 2014 to inform renewed pandemic preparedness planning. The PSG comprised of DECC representatives, electricity and gas network operators, generators, Ofgem and HSE and their key function was to provide E3C with the most up to date status of preparedness for a pandemic event and associated risks with the Energy and Utilities sectors. Both DECC and BEIS (the latter Department is discussed further below) were active participants of the PSG meetings on a bi-annual basis, with the meetings taking place before and after winter, unless it was necessary to meet more frequently.
- 2.27. The PSG undertook two “walk through exercises” in August 2014 to test plans for DECC officials to monitor the effect of a pandemic event on the energy industry. The exercises focussed on absenteeism levels and stocks of key commodities at electricity generating stations. In 2015, the lessons learnt from the PSG exercises were used to update DECC’s internal strategy for downstream gas and electricity in a pandemic event. The new process included reporting mechanisms for tracking levels of staff absences and commodities reporting by generators and analysis of the data generated by DECC officials. The 2015 strategy can be found at **[SM/12, Downstream Gas and Electricity Pandemic Flu Strategy, dated March 2015, BEISP00000726]**.

⁶ **[SM/11, BEISP00000788]**

- 2.28. On 14 July 2016, as set out at Section 1, BEIS was created through a merger of the previous Departments, BIS and DECC. At its creation, Alex Chisholm, BEIS' Permanent Secretary established an Executive Committee (otherwise known as "**ExCo**") to oversee internal governance within the Department. ExCo was and is still ultimately responsible for emergency response and resilience within BEIS. BEIS ExCo is usually chaired by the Permanent Secretary. In the Permanent Secretary's absence, a Director General has delegated responsibility to chair ExCo meetings. For a full list of ExCo members who attended meetings between July 2016 and January 2020, please refer to Annex E.
- 2.29. From 2016, BEIS was the designated LGD for emergencies affecting the Critical National Infrastructure sectors of Energy, Civil Nuclear, Chemicals, Space, and Postal Services. This meant that in the event of an emergency in one of these sectors, the CO would look to BEIS to lead any cross-government response required and could ask the Secretary of State to chair COBR. There were other types of emergencies (e.g., flooding, infectious disease, terrorism) where BEIS would not be the LGD, but there could be impacts for BEIS sectors in which the Department would have a supporting role. For example, in 2021, in response to Storm Christophe, Defra as the LGD stood up the National Flood Response Centre (**NFRC**). As part of the Defra-led response BEIS officials provided information and updates on energy, civil nuclear and post sector severe weather plans and impacts. Additionally, as part of the recovery efforts, the Ministry of Housing, Communities and Local Government (**MHCLG**)/ Department of Levelling Up, Housing and Communities (**DLUHC**), the LGD for flood recovery, and BEIS' Cities and Local Growth Unit were also supporting DLUHC, BEIS ministers and the NFRC on the Flooding Recovery Framework.⁷ As part of this, BEIS provided funding to Local Authorities to run local grant schemes to support flooded businesses.
- 2.30. The BEIS Energy Resilience and Emergency Response Team (**ER2**) was created as BEIS was formed. This team was responsible for working with teams across the Department to ensure that they were well prepared for an emergency.
- 2.31. The ER2 had the following responsibilities in an emergency faced by the Department:
- a) Coordinating and training a network of people within the Department who would be called upon to assist with an emergency response. This network was called

⁷ [SM/13, BEISP00000785]

the Emergency Response Group. It was a pool of trained staff managed by ER2 who could be released from their current duties and called upon to support responses at short notice, if needed. Their duties in an emergency response would include the maintenance of an Emergency Operations Centre (EOC). The operation of an EOC allows staff involved in a response to gather in a dedicated, secure space to coordinate a response to a crisis. BEIS aimed to ensure that it had robust structures and processes in place to respond to an emergency, and staff were appropriately trained.

- b) Standing up an Emergency Response Team (ERT), to coordinate a cross government response in the event of an emergency.
- c) Identification and monitoring of risks relating to CNI. In order to fulfil this responsibility BEIS (1): ran exercises to test preparedness for emergencies in the CNIs for which BEIS has responsibility (energy, civil nuclear, chemicals, space, and postal services); (2) actively “horizon scanned”⁸ for potential risk; and (3) liaised with OGDs to share potential departmental risks in order to encourage a greater situational awareness and a more proactive approach to crisis management.
- d) Triaging⁹ commissions from the centre of government (i.e., from No 10 / Cabinet Office) for policy teams and co-ordinating briefings across multi-functional teams, ensuring that these were appropriate to the COBR and ministerial audiences.
- e) Enabling the transition of management of long-term recovery to an appropriate policy team at the point that the emergency response was no longer needed.
- f) Implementing the above in accordance with central government’s CONOPS¹⁰ and BEIS’ departmental CONOPS, which sets out its arrangements for responding to and recovering from emergencies **[SM/14, BEIS CONOPS, dated July 2019, BEISP00000740]**.

2.32. Following the Grenfell fire and Wannacry Cyber security incidents in 2017, officials identified areas in which BEIS should improve the co-ordination of emergency response across the Department. For example, a learning point was identified that in

⁸ “Horizon scanning” is used to describe exploring what the future might look like to understand uncertainties better, by systemically investigating evidence about future trends. Horizon scanning helps government analyse whether it is adequately prepared for potential opportunities and threats, in order to ensure policies are resilient to different future environments.

⁹ Triaging, in this context, is the process of analysing a commission received from the Cabinet Office or No10, for example, and allocating a team within BEIS to respond and prioritise against other commissions received.

¹⁰ **[SM/15, BEISP00000716]**

the Department's response to the Grenfell fire an initial response team was successfully established in short order, but it took longer to set up a wider policy response including SitReps reflecting the full range of BEIS' interests, which would usually be a requirement for ministers and COBR. For this reason, on 27 June 2017, Rhiannon Harries, the then Acting Director for Civil and Nuclear Resilience submitted a paper to ExCo seeking their agreement to actions to further improve BEIS' emergency response and recovery capabilities. The submission can be found at **[SM/79, dated 27 June 2017, BEISP00001487]**.

2.33. The following short-term recommendations were proposed:

- a) Establish a BEIS Emergency Contacts Handbook;
- b) Hold a "Senior Leaders Emergency Response" training session for ExCo and consider extending training to Directors;
- c) Review the BEIS Concept of Operations (CONOPS) to incorporate recovery operations; and
- d) The Permanent Secretary should write to all core BEIS staff to invite them to join the ERG.

2.34. The above short-term recommendations were accepted by ExCo. ExCo also requested a further discussion to consider a longer term approach based on a single team and framework that would be responsible for leading BEIS' emergency response and recovery arrangements across the full spectrum of the Department's interests. In light of this, on 11 July 2017, Mark Prouse, the then Acting Deputy Director of Energy Resilience, submitted a paper to ExCo in which he sought ExCo's agreement to establish a central team to lead emergency response across the Department. The submission can be found at **[SM/80, dated 11 July 2017]**.

2.35. In line with the above recommendation, in July 2017, ExCo created a single emergency response team ("the Emergency Response - Capabilities and Operations team or **"ERCO"**"), which functioned as a sub-team of ER2.

2.36. In August 2018 BEIS' emergency response plans were audited by GIAA and BEIS was awarded a moderate rating, see exhibit **[SM/81, dated August 2018]**. A moderate rating as described above means that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Briefly, the report identified that the ER2 team had effective governance and reporting arrangements in place in relation to emergency response within the Department. The report also noted that clear procedures, plans, roles and responsibilities in relation to emergency response had been developed and

effectively communicated, and that these had raised awareness

and built resilience within the department and that risk management arrangements had been strengthened to create a robust and sophisticated picture of risk across the Department. Finally, the report noted that the Department had robust processes in place to both communicate and report during an incident/response to ensure that detailed information was provided for effective and efficient decision making.

- 2.37. More generally, the auditors were encouraged with the progress that had been made to build the team's capabilities and operations considering that the ER2 was, at the time, a relatively new team.
- 2.38. Whilst the auditors identified a sound system of internal control design, they considered that BEIS could further expand and clarify the governance reporting arrangements outside of a response (i.e. on a strategic level). Additionally, BEIS was asked to consider enhancing the risk arrangements and guidance: for example, updating the ER2 risk register to outline the residual risks and mitigating actions of the risk identified. Exhibited to this statement is an excel spreadsheet from the GIAA which sets out the Department's response to the agreed actions **[SM/16, dated 2018, BEISP00000782]**. Some examples of management action taken after the 2018 audit include (a) updating the ER2's strategy risk register to include residual risk and (b) developing and implementing a governance structure for programme delivery.
- 2.39. In September 2022, the ER2 split into two teams, the State Threats, Energy Resilience and Cyber Security team and the Crisis Management and Fuel Resilience team. Those teams now lead on emergency response in the Department in their respective areas.

Section 3 – Readiness and preparation of BEIS in practice

BEIS readiness for emergencies

- 3.1 The Inquiry has asked the Department to outline how it made itself ready for general civil emergencies, whole system emergencies, high-consequence infectious diseases, epidemics and pandemics.
- 3.2 The BEIS Emergency Response CONOPS set out the arrangements for the departmental response to emergencies and the subsequent recovery. The July 2019 version of the CONOPS was the last published prior to January 2020, and therefore I have used this document to outline the Department's readiness for emergencies. For the purpose of brevity, I have not summarised all details of the CONOPS, but have included an overview below.
- 3.3 The BEIS Emergency Response CONOPS stated the sectors for which BEIS is the LGD. Incidents that impacted these sectors required a response led by BEIS, usually with the Secretary of State chairing the relevant COBR meeting.
- 3.4 The CONOPS defined two phases of emergency response – 'response' and 'recovery'. The 'response' phase involved mitigating immediate risks and ensuring the incident did not worsen and the 'recovery' phase was longer lasting, and involved rebuilding, restoring and rehabilitating affected communities.
- 3.5 The CONOPS set out that in the event of an emergency, the ER2 advised on the setting up and structure of an ERT. This team would co-ordinate the Department's response. The ERT was managed by a GOLD level Head to whom two SILVER level individuals, an Operations SILVER and a Security and Policy SILVER,¹¹ report. The ERT also included subject matter experts, and communications teams. The ER2 was to continue to provide support to the ERT throughout the response.
- 3.6 The newly established ERT was based at the Emergency Operations Centre (**EOC**) at 1 Victoria Street which is managed and maintained by the ER2. The EOC had secure communication lines and back-up power generation and enabled an ERT to respond to two concurrent emergencies. Should the EOC not be viable, the Business Continuity team was responsible for providing an alternative location.
- 3.7 The ERT led the management of the Departmental emergency response. This included reporting to the ExCo, and briefing Ministers where appropriate. The ERT was

¹¹ The GOLD level Head would be the BEIS Senior Security Adviser, or in their absence, their deputy. ER2 was responsible for selecting personnel to undertake the Operations SILVER role and supporting team members.

also responsible for identifying liaisons in OGDs and in the Devolved Administrations. BEIS Local Teams and the Departmental Security Unit were also key partners for the ERT in responding to emergencies.

- 3.8 An ERT had three tiers of response. The full details on the tiers and typical response outputs can be seen on pages 16-18 of the 2019 CONOPS at **Exhibit SM/14 - BEISP00000740 dated 19 July 2019**.
- 3.9 The ERT was to be disbanded once the emergency had been contained and the necessary policy structures were in place to prevent resurgence. The Department then moved from the 'response' phase to 'recovery'. The ER2 was to collate feedback on how the emergency was managed and co-ordinate a lessons learnt process.
- 3.10 The process for forming an ERT, set out in the CONOPs and discussed above, was implemented in the response to the Covid-19 pandemic. This ERT, the BEIS Emergency Response Function, was mobilised on 21 January 2020, and the first internal SitRep was issued on 29 January 2020.

BEIS Business continuity plan

- 3.11 BEIS had a full business continuity plan (**BC Plan**) in place prior to the pandemic, **exhibit SM/17 BEISP00000749**, dated 16 January 2020. The BC Plan set out a framework for responding to an event that would impact on the Department's ability to conduct its business.
- 3.12 The BC Plan described the organisational structure that managed business continuity in the event of an emergency. The BEIS Department Security Unit (**DSU**), led by the BEIS Senior Security Advisor, was responsible for Business Continuity, IT, Security, Physical Security and Data Handling for BEIS across all its sites. ExCo had responsibility for the actions of the DSU. When a major disruption occurred, an ERT was established by the ER2 and DSU as is described above at paragraph 3.5.
- 3.13 During an emergency response, the BC Plan ensured BEIS could manage the response effectively by maintaining its infrastructure. The BC Plan sought to ensure the ability for the majority of BEIS staff to perform their jobs from home without an interruption to BEIS' usual work and services to stakeholders.
- 3.14 The DSU, and any ERT established by it, had responsibility to ensure that BEIS IT and telephony were unaffected and staff could remain working from home as long as was necessary. Those teams were also required to share information and work with OGDs directly using business continuity structures.

- 3.15 The BC Plan was implemented in the response to the Covid-19 pandemic. The completed BEIS Covid-19 Business Continuity Plan was published on 27 February 2020 and is included at exhibit **[SM/18, dated 27 February 2020, BEISP00000751]**. Implementing this plan allowed for the majority of BEIS staff to perform their jobs effectively from home without an interruption to the usual work of BEIS or service to its stakeholders.

CNI Sector Preparedness

- 3.16 As set out at paragraph 2.29 above, when BEIS was formed in 2016, it was designated LGD for emergencies affecting the CNI sectors of Energy, Civil Nuclear, Chemicals, Space and Postal Services. I have provided a description of the Department's planning, preparedness and readiness in respect of each of these CNI sectors.

Civil Nuclear CNI Sector

- 3.17 The majority of the UK's Civil Nuclear CNI assets are concerned with energy generation and during the Covid-19 pandemic the sector supplied approximately 20% of UK energy demand. The remainder of the sector's assets are concerned with the safe supply, waste management and decommissioning processes that support generation. The Office for Nuclear Regulation (**ONR**)¹² is the regulator for the UK Civil Nuclear sector and its mission is to secure the protection of people and society from the hazards of the nuclear industry by securing safe nuclear operations.
- 3.18 The Nuclear Installations Act 1965 (**NIA**) imposed restrictions on the use of sites for installing or operating nuclear reactors or for any other installation unless a licence had been granted by an appropriate national authority. The NIA informed the 2017 Licence Condition Handbook¹³. Licence Condition 11 required the licensee to make and implement adequate arrangements for dealing with any accident or emergency arising on-site and their effects. In addition, Licence Condition 36 required the licensee to provide and maintain adequate financial and human resources to ensure safe operation of the licensed site.
- 3.19 Emergency arrangements are tested through the ONR's inspection regime to ensure compliance with the above licence conditions and these tests do, on occasion, test loss of key staff in order to assess the resilience of the planning in place to deal with staff absences. For example, Sellafield reported to ONR that its arrangements had

¹² Established as a statutory Public Corporation on 1 April 2014 under the Energy Act 2013.

¹³ The Office for Nuclear Regulation provides further explanation of the Licence Conditions in the Technical Inspection Guides at **[SM/19, BEISP00000786]**

been successfully exercised in February 2017. ONR as an independent regulator only grants licences to sites that can demonstrate that safety is being managed properly.

3.20 ONR have in place Safety Assessment Principles for Nuclear Facilities (**SAPs**) as guidance for inspectors. The current edition of the SAPs (2014 edition, Revision 1 (January 2020)) was the version in place pre-pandemic. The SAPs provided specific guidance on required staffing levels. For example, the SAPs stated that “*there should be sufficient competent personnel available to operate the facility in all operational states*”.¹⁴ Collectively, the NIA and its associated guidance and principles required the following staffing levels:

- a) Sites must have a minimum staff operating level to maintain safety functions;
- b) Staff rotas at nuclear sites are resilient to keep generation running in a pandemic flu or industrial action scenario. If a generating site needed to be shut down for any reason, it would be shut down safely. In the case of a complex non-generating site, operations would be scaled back to a level necessary to sustain essential safety operations;
- c) Members of staff are trained and required to demonstrate competence in undertaking a range of tasks to provide cover for absent staff; and
- d) Appropriate arrangements were in place to deal with the absence of security staff.

3.21 Additionally, I set out below examples of arrangements that were in place within the Civil Nuclear sector to deal with staff absences. These included:

- a) The decommissioning fuel and waste sites at the lower end of the hazard and risk spectrum, could be stopped and made safe with a relatively low number of personnel needed.
- b) Sites could cater for the absence of key staff by restricting some of the hazardous activities on site to create spare capacity.

3.22 In 2017, the CO commissioned assessments of all CNI sectors' resilience to pandemic flu and each sector was expected to provide a statement in response to questions by the CO, setting out an overview of their sector's preparedness to deal with a pandemic flu. The overarching aim of the statement was to enable the CO to understand potential vulnerabilities and how departments would engage with stakeholders to address these.

¹⁴ Exhibit [SM/82, dated January 2020], EHf.11, at page 106.

This Statement of Preparedness for the Civil Nuclear Sector noted that ONR assessed that the arrangements across the Civil Nuclear sector were adequate up to (and beyond in many cases) the postulated 35% staff absence level (Civil Nuclear Sector Pan Flu Resilience Statement of Preparedness **[SM/20 BEISP00000736, dated 26 January 2018]**). This postulated staff absence level of 35% comes from the UK Influenza Pandemic Preparedness Strategy 2011, which was prepared by DH. The DH strategy, deals specifically with staff absence and states that “*In a widespread and severe pandemic affecting 50 percent of the population, 30-35 percent of staff in small organisations may be absent in any given day*”. See **[INQ000022708, Department of Health Influenza Pandemic Preparedness Strategy 2011]**.

- 3.23 During the Covid-19 pandemic, civil nuclear sites stopped non-essential activities at site and site staff worked from home in the majority of cases. Required staff levels were maintained on site with sites managing these staff with the aim to reduce the risk of virus transmission especially in relation to certain teams / functions which due to their small size might be particularly affected by significant sickness absence. This approach allowed sites to continue to effectively meet their operational requirements during the pandemic.

Civil Nuclear engagement with stakeholders

- 3.24 ONR actively engaged with industry forums, professional bodies, Local Authorities and Non-Governmental Organisations on preparedness. For example, the Nuclear Emergencies Arrangements Forum (**NEAF**) met quarterly to address industry resilience issues and was attended by industry and the regulator.
- 3.25 In the event of a pandemic, the ERT would seek information from the ONR on the impact of the pandemic on the on-site workforce. ONR would remain in contact with dutyholders during the emergency. Updates from ONR and the CNI policy lead would then be provided to ExCo/ERT who would in turn ensure that SitReps were updated and fed back at COBR meetings. This is how the response to the Covid-19 pandemic was managed.

Civil Nuclear Constabulary (CNC)

- 3.26 The CNC is a special police force responsible for providing law enforcement and security at any relevant nuclear site and for security of nuclear materials in transit within the United Kingdom. The CNC was set up on 1 April 2005 and its core function is to protect civilian nuclear assets from any attacker whose intention is the theft or sabotage of such material either static or in transit.
- 3.27 All CNC operational units and headquarters each had bespoke business continuity plans (**BCPs**). The BCPs are based on a Business Continuity Response Framework

that encapsulates primary and secondary actions and considerations to assess the nature, scale and impact of the disruptions and actions to take to return to business as usual. Within the BCPs there a number of specific risks that are covered and this includes staff shortfalls due to a pandemic flu. BCPs are exercised and tested to ensure that they are consistent with the business continuity objectives.

- 3.28 ONR established a set of Security Assessment Principles (**SyAPs**). The version in force prior to the pandemic was the original issue dated 31 March 2017. The SyAPs contain fundamental security principles that the dutyholders¹⁵ must demonstrate have been fully taken into account in developing their security arrangements to meet relevant legal obligations. There must be an approved security plan for each nuclear premises which must be approved by ONR under the nuclear Industries Security Regulations (**NISR**) 2003. The security plans describe the standards, procedures and arrangements adopted (or to be adopted) by the dutyholder. The Nuclear Site Security Plans (**NSSP**) are part of the security plans and would state the manner in which the nuclear premises would be policed and guarded, including the identity of the person providing any constables/persons acting as guards and the total number of constables and such persons attached to the premises.

Nuclear Decommissioning Authority (NDA)

- 3.29 NDA are a non-departmental public body created by the Energy Act 2004 to lead the clean-up and decommissioning work at 17 nuclear sites on behalf of government.
- 3.30 NDA are sponsored and funded by BEIS. The NDA's plans for cleaning up the sites are approved by BEIS and Scottish ministers, who provide a framework for the NDA.
- 3.31 The NDA are the owner of the 17 sites where operators / licences (e.g. Sellafield Ltd, Magnox Ltd and Dounreay restoration Ltd) have requirements under the NIA, Radiation (Emergency Preparedness and Public Information) Regulations¹⁶ and ONR (who themselves are a partnership organisation to the Department for work and Pensions) guidance to have plans and preparedness in place for emergencies including staff absence.

¹⁵ The current version of the Security Assessment Principles is available online and exhibited at **[SM/83, dated 31 March 2022]**. Dutyholders are responsible for the leadership, design, implementation, and maintenance of security arrangements made to protect the public from the risks arising from nuclear material. The fundamental principles in SyAPs enable the dutyholders to deliver the defined security outcomes, with ONR holding them to account for that delivery.

¹⁶ The Radiation (Emergency Preparedness and Public Information) Regulations 2019 (REPPiR) provides guidance to operators and local authorities about preparedness and response arrangements for radiation emergencies. The Regulations set out the legal duties as to how they must plan for and manage the consequences from radiation emergencies, both on the site of the emergency situation and off-site where members of the public might be affected. The Regulations also ensure that members of the public are provided with information, both before and during an emergency, so that they are properly informed and prepared in the event of a radiation emergency occurring.

Chemicals CNI Sector

- 3.32 The designation of the Chemicals sector as a Critical National Infrastructure is based on the risk that hazardous substances held at chemicals sites pose to public safety. If released, these substances could cause large numbers of fatalities and casualties. This is in contrast to other CNI sectors, which are industries that provide essential services.
- 3.33 The preparedness of the chemicals sector as a whole for a pandemic, or any other hazard that could pose a risk to the safety of site staff, the environment and the general public, is covered by The Control of Major Accident Hazards Regulations 2015 (**COMAH**). COMAH applied and continues to apply to establishments¹⁷ where the presence of dangerous substances, above threshold limits, presents such a risk. All Critical National Infrastructure sites in the sector and the vast majority of sites in the wider sector were and continue to be covered by COMAH.
- 3.34 Under Regulation 5 (1), *'every operator must take all measures necessary to prevent major accidents and to limit their consequences for human health and the environment.'* Risks for major accidents include power outages, floods, storms or shortages of suitable staff for any reason. In practical terms the measures taken to mitigate unacceptably high levels of accident risk would generally be for chemicals sites to enter into safe shutdown mode until such time that safety could be ensured, such as through the return of a reliable power supply or a sufficient number of appropriately trained staff. For example, in the event of a major power loss, sites would typically have sufficient back-up power generation capability to facilitate safe shutdown, but not to maintain production.
- 3.35 BEIS is satisfied that COMAH provided adequate assurance that proportionate risk management measures were in place to mitigate the hazards faced by the sector which could pose a safety risk to site staff, the environment and the general public.

Postal CNI Sector

- 3.36 Postal Services was and continues to be designated as a CNI Sector due to the Universal Postal Service (**UPS**) delivered by Royal Mail.
- 3.37 Royal Mail are required by law and regulation to deliver letters 6 days a week and parcels 5 days a week to 30 million addresses throughout the UK. As of 2022, Royal Mail had around 157,241 frontline employees. There are a range of postal operators

¹⁷ 'Establishment' is defined in Regulation 2 of COMAH as the whole location under the control of an operator where a dangerous substance is present in one or more installations. If there are adjacent installations, but with different operators, these would be separate establishments.

in the sector. However, Royal Mail is the only CNI operator as it is the only postal operator that has the capacity/infrastructure to deliver the UPS. UPS is a statutory obligation under the Postal Services Act 2011.

- 3.38 BEIS, as LGD for the Postal Services sector, liaised with Royal Mail on key hazards and threats to nationwide capability of the postal infrastructure and to ensure that proportionate mitigation or response measures were in place (and where appropriate, properly linked into Government response measures). BEIS monitored developments within the UK Postal sector and reviewed risks and vulnerabilities on an ongoing basis, liaising with the Cabinet Office – Civil Contingencies Secretariat (**CCS**) (and OGDs and agencies), where appropriate. In the event of any significant interruptions to postal services, BEIS monitored the incident/situation and liaised with OGDs on the government response.
- 3.39 BEIS is a member of the Communications Sector Working Group (**CSWG**), a DCMS chaired forum which discusses risks across the communications sector (i.e., telecoms, internet, postal services and broadcast) and has worked regularly with OGDs to counter identified risks. The CSWG remit covers both security and resilience and membership includes representatives from DCMS, BEIS, CO, Home Office, Ofcom and security agencies.
- 3.40 Royal Mail was privatised in October 2013. However, despite its ownership, Royal Mail remained as the UK's designated Universal Service Provider with an obligation to provide the UPS in accordance with minimum requirements as set down by the UK Parliament and quality standards set by the Office of Communications (**Ofcom**).
- 3.41 Ofcom is the UK's communications regulator and regulates a variety of sectors including postal services. Ofcom required Royal Mail to have in place contingency plans so that universal service continued in the event of industrial action, an emergency or natural disaster. Royal Mail has been required to review its contingency plans every two years. If contingency plans were not adequate or appropriate, Ofcom was able to take enforcement action.

Contingency plans pre-pandemic

- 3.42 Postal services were not affected by the flu pandemic during the winter of 2009-2010. Royal Mail implemented DH's guidance during this period. This included ensuring the availability of anti-bacterial soaps and wipes to staff and promoting awareness among staff including the importance of personal hygiene and self-isolation.

- 3.43 Following the 2009-2010 winter flu pandemic, Royal Mail's contingency plans were activated when staff absence levels were 10% or more over the accepted seasonal flu levels. Additionally, Royal Mail considered the distribution of absences across the network of operators.
- 3.44 The contingency plans stated that in the event of a flu pandemic, responsive measures were to be implemented to maintain Royal Mail's services. The responsive measures included bringing in agency staff, contracting drivers and, if necessary, utilising managers within operational units. If there was a situation that required further responsive measures to maintain service levels, managers from other parts of the organisation would be called in to assist. Managers were required to assess the situation and decide on whether reducing non-urgent services (for example, fewer collections and deliveries) and focusing on premium services, would resolve the issues. If premium services, such as the special next-day delivery, could not be carried out, Royal Mail was able to take a further step and remove the 'next-day' requirement, and instead aim for 'as soon as reasonably practicable.'

Review of resilience planning in the postal sector

- 3.45 In May 2013 a review took place into the UK's resilience planning in the postal sector. This review, known as the Letwin Resilience Risk Review (Letwin Review) **[exhibited SM/21, dated April 2014, BEISP00000777]** considered the impact of different scenarios such as the impact of pandemics, floods and industrial action on the efficient running of the postal services. For the purposes of this statement, I have focused on the Letwin Review's findings in relation to a pandemic.
- 3.46 The Letwin Review recognised that in the event of a pandemic there would be significant disruption to logistical and/or delivery operations as a result of workforce absence. The review noted that the staff absence pattern associated with a flu pandemic was different to that for strike action – typically there would be a slower build-up, peaking at around a possible 30% staff absence, but that staff absence rates were likely to be more evenly distributed across grades and functions. This pattern was more likely to lessen the impact on any particular function and increase the chances of services being maintained throughout a pandemic albeit that this may be on a reduced scale.
- 3.47 The review found that Royal Mail had in place comprehensive plans to mitigate the impact of absences, which allowed for the managed degradation of service in accordance with corporate priorities. For example, in most cases where the capability for normal collection services and deliveries could not be maintained, Royal Mail will

allocate available resources to ensure deliveries of premium products (for example, special deliveries) and to clear post from post office counters.

Covid-19 and the postal sector

- 3.48 Throughout the pandemic the BEIS postal policy team set up and fed into a range of reporting structures to ensure that (a) government guidelines were communicated quickly and with clarity to the postal sector and (b) the needs of the postal sector were addressed and reflected in government guidelines. Any concerns were flagged through internal reporting structures via the BEIS Covid-19 response team. The BEIS postal policy team provided input through the daily SitRep which was fed in to the COBR meetings.
- 3.49 During this period, like all other sectors, the postal sector experienced spikes in absence levels (due to staff being unwell or having to self-isolate for a variety of reasons) and though Royal Mail had well-established contingency plans to mitigate disruption to postal services, it indicated to both BEIS and Ofcom that increasing absence levels beyond 20% (nationally) would affect its delivery standards. Ofcom recognised that the Covid-19 pandemic was an emergency and Royal Mail was allowed to modify its operations including reducing the frequency of delivery without formal authorisation.
- 3.50 As well as the above, Royal Mail drew in additional resources by taking the following measures: (a) the retention of 10,000 temporary seasonal staff, and additional 6000 vehicles; (b) keeping four temporary parcel sort centres in operation to help relieve the pressure elsewhere in the network and (c) investing in additional overtime. This helped minimise the disruption caused by the Covid-19 pandemic.

Space CNI Sector

- 3.51 The UK civil space programme is managed by the UK Space Agency (**UKSA**), which is an executive agency of BEIS. The BEIS Space Directorate is responsible for the development of the strategic direction for space across government, whilst UKSA is the delivery partner in the civil sector. Space based services consist of three key segments - space (spacecraft), ground (remote terminals, control centres, ground stations, launch facilities), and user (customer terminals, e.g. satellite phones). Each segment works together with interlinking signals and networks, to provide key services for the UK, such as GPS, satellite communications and earth observation.
- 3.52 Many different threats can affect space-based services and cause an incident. This includes temporary threats such as jamming or cyber-attacks, physical attack to

spacecraft, natural or manmade collisions in orbit, severe space weather (solar activity from the sun) or natural disasters (affecting the ground segment). Incidents affecting space-based services may also have an impact on other CNI sectors – for example if emergency communications equipment at a civil nuclear site is reliant on satellite technology.

- 3.53 The response to an incident varies depending on where the emergency originates from. In 2019, the UKSA had a Business Continuity Management plan, which covered the occurrence of a pandemic **[Exhibit SM/22 - BEISP00000748 dated 12 December 2019]**. The business continuity plans therefore covered absenteeism in a limited way proportionate to the potential impact, for example they include a plan for an Executive Board Incident Management meeting to agree how pressures on staffing and/or office locations would be handled.
- 3.54 Under the pre-2020 UKSA Business Continuity Plans, in the event of an emergency, the Business Continuity Coordinator (**BCC**) would invoke the plan and their deputy would cascade alerts to the CEO, other directors, the comms team and the business continuity team. Following this, there would be engagement with all staff, either via email or through an emergency SMS system.
- 3.55 Throughout the incident, communications and information would continue to be cascaded as needed, on advice from the executive board or the business continuity co-ordinator. The executive board would order a stand down of the emergency response when it judged normal operations could be resumed. This would then be communicated to staff.
- 3.56 Prior to 2020, planning for emergencies relating to sector operations was mostly focussed on responding to threats to the civil space programme. Maintenance and operation of space services did not require large number of staff, so the impact of absenteeism was very low. The UKSA Security and Resilience team had identified the most common emergencies and created tailored plans for each of the following: severe space weather, cyber-attacks, uncontrolled re-entry (space craft and other man-made space objects re-entering the Earth's atmosphere through atmospheric drag and/or natural orbital decay), conjunctions (collisions between satellites or impact from orbital debris), and threats to physical premises or key personnel. **[Exhibit SM/23 – BEISP00000742 dated 18 September 2019]**.
- 3.57 The UKSA has reviewed and updated their emergency response plans since Covid-19, with new Business Continuity Plans. The December Business Continuity Plans are exhibited to the statement **[Exhibit SM/24 – BEISP00000783 dated 17 January 2023]**

and a new Emergency Response Framework is being worked on. **[Draft Version - Exhibit SM/25 – BEISP00000768 dated 7 July 2022]**. Both plans are more extensive than their previous iterations and include specific pandemic planning. The new Emergency Response Framework has created a wider structured response to emergencies, as well as the risk-specific considerations that existed for major threats prior to 2020.

Energy CNI Sector: Civil Contingencies Act 2004

3.58 The Civil Contingencies Act 2004 (CCA) defined organisations with a role to play in emergencies as Category 1 or Category 2 and set out the roles and responsibilities of organisations in both of these categories.¹⁸ Category 1 responders are described as organisations at the core of an emergency response, including emergency services, NHS bodies and local authorities. Category 2 responders are described as organisations acting in support of Category 1 responders, including organisations that are in BEIS-led CNI sectors (electricity distributors and transmitters and gas distributors).¹⁹ Category 1 and 2 responders cooperate and share information and are integrated into wider emergency planning networks. The Secretary of State can compel both Category 1 and 2 responders to provide information about actions taken complying with duties under the CCA.²⁰ The status of an organisation in either of these categories can affect the way it shares information with the Government.

Energy CNI Sector: Downstream Oil

3.59 The Downstream Oil sector is not defined as a 'Category 2' responder in the CCA; as such, the Government is unable to compel the Downstream Oil sector to provide their contingency plans.²¹ However, through previous engagement, BEIS and its predecessors understood that the Downstream Oil sector was prepared for an emergency. The Department maintained a strong relationship with Downstream Oil industry partners by conducting regular engagement with key stakeholder contacts. Prior to the pandemic, BEIS considered that the sector had sufficient contingency plans in place, with most organisations having considered the impact of pandemic influenza. Analysis conducted in 2009 by DECC looked at the predicted impact of different rates of depletion of staff levels and the effect that these would have on fuel deliveries, oil pumping capabilities and refinery production units. **[Exhibit SM/26 – BEISP00000778 dated 20 January 2020 and SM/27 – BEISP00000779 dated 26 February 2020]**.

¹⁸ Civil Contingencies Act 2004, Sch 1

¹⁹ Category 2 responders under the Civil Contingencies Act are: electricity distributors and transmitters, gas distributors, telecommunications providers, water and sewerage undertakers, Network Rail, train operating companies, London Underground, Transport for London, Highways England, airport and port authorities and the Health and Safety Executive.

²⁰ Civil Contingencies Act 2004, s9

²¹ Downstream oil refers to the supply of oil-based fuels from their production at refineries, or import to terminals, to their final consumption by end users.

- 3.60 The sector is experienced in responding to unpredictable surges in demand and has been able to respond to current challenges adequately. Previous engagement with the sector suggested that, in the event of a pandemic, resilience measures would include restricting workforce hours or redistributing workers to essential functions, shutting down certain operations, formal cover, or training operational managers and office staff for front line work. **[Exhibit SM/28 – BEISP00000780 dated 12 February 2020]**
- 3.61 Pre-pandemic, BEIS' ER2 team expected downstream oil sector organisations to enact their own contingency plans in the occurrence of an outbreak. In such an event, the Department would liaise closely with industry organisations to ensure these plans are in place and to affirm government support if necessary.
- 3.62 The Department had (and still has) its own contingency planning for the downstream oil sector as part of the government National Emergency Plan for Fuel – namely the Downstream Oil Industry Protocol, the Reserve Tanker Fleet and Operation ESCALIN:
- a) Operation ESCALIN is a fuel supply contingency measure jointly managed by BEIS and the MoD to make trained military drivers available to support fuel deliveries. It can be invoked through a direction made by the Secretary of State pursuant to section 148 (3)(b) of the Energy Act 2013.
 - b) The Downstream Oil Industry Protocol can be activated to temporarily exempt the sector from the Competition Act 1998. This means supply can be optimised if there is disruption and allows for easier sharing of information, joint planning and co-ordinated supply action.
 - c) The Reserve Tanker Fleet is a fleet of 80 fuel tanker vehicles that can be deployed at short notice to provide additional capacity to industry, who would use them as part of their own contingency plans. Formal ministerial agreement is not required but would likely be sought as part of wider advice on any emergency.

Energy CNI Sector: Downstream Gas and Electricity

- 3.63 Downstream gas²² and electricity organisations are included in the definition of 'Category 2' responders in the Civil Contingencies Act 2004. The Government has the

²² Downstream gas refers to the natural gas supply network from reception terminal and storage site to consumer isolation valve in the UK. Downstream electricity refers to the electricity supply network from generator to consumer meter in the UK.

power under the Act to compel the downstream gas and electricity sector, and other Category 2 responders, to share their contingency plans. BEIS (via Ofgem) can send a Request for Information which obligates the industry to share information. However, the Department maintains strong stakeholder relationships with the industry and the sector provides information voluntarily, both in normal and emergency periods.

3.64 The 2019 National Emergency Plan for Downstream Gas and Electricity (**NEP-DG&E**) [exhibited at SM/29 – BEISP00000747 dated 30 October 2019] applied (and still does apply) to the downstream gas supply network from reception terminals and storage sites to consumer isolation valves, as well as the electricity supply network from generators to consumers' meters in Great Britain. The plan was a joint venture between BEIS, E3C²³, Office of Gas and Electricity Markets (Ofgem) and the National Grid.

3.65 The NEP stated that there are four crisis levels used in an emergency response:

- a) Situation Normal (White) – normal situation, this period is used for regular monitoring and review.
- b) Early Warning (Black) – where there is concrete, serious and reliable information that an event may occur that will result in a significant deterioration of the energy supply.
- c) Alert (Amber) – where a supply disruption or exceptionally high demand occurs, resulting in deterioration of the supply situation, but the market can manage without the need for non-market measures.
- d) Emergency (Red) – where there is exceptionally high demand, significant supply disruption and when all relevant market measures have been implemented but the supply is insufficient to meet remaining demand. Non-market measures have to be introduced and government will intervene.

3.66 The gas and electricity industries are responsible for the operational management of an emergency, and for notifying BEIS. They are also responsible for ensuring appropriate information is provided to central government to inform an effective response. Industry will work with local Strategic Coordination Groups (SCGs) on local issues and consequence management.

3.67 In the event of an emergency, the ERT would develop a strategy and action plan to manage the incident. The plan would be designed to support the industry's technical response, rather than directly control the emergency. Examples of ERT actions would

²³ As noted above, E3C is a group of key external stakeholders' representative of energy companies and energy infrastructure.

be to identify the consequences of the emergency for OGDs, request appropriate emergency powers to manage the incident and make recommendations to government on strategic options. If it is small-scale response or in an area where BEIS is the LGD, the ERT will set out the timeframes and tempo of the emergency response, identifying key events and outputs that will take place, such as COBR meetings, Ministerial briefings, SitRep and Commonly Recognised Information Picture (**CRIP**) publications. However, if it is a large scale, cross-departmental response, COBR Unit within Cabinet Office will set the central process and timings which BEIS will input into.

- 3.68 The sector and BEIS also put in place pandemic specific contingency plans in 2020 **(Exhibited at SM/30 – BEISP00000758 dated 10 December 2020)** to ensure the sufficient availability of staff to cover unexpected absences, or increased demand. The National Grid worked on internal planning assumptions that allowed for absenteeism of staff to a particular level in critical functions. Specific teams within the National Grid had additional plans to ensure that they could continue to operate with high levels of absenteeism.
- 3.69 The Pandemic Steering Group developed the Pandemic Situation Report mechanism to allow BEIS to understand how a pandemic would affect the downstream gas and electricity sector. As explained in paragraph 3.67 above, there was a SitRep reporting process, in which organisations would provide regular information on absenteeism and impacts on operations, together with mitigating actions. BEIS would also request information on stock levels of key commodities used in the generation of electricity.

Section 4 – BEIS preparedness in relation to business engagement and economic support

- 4.1 This section of the statement addresses the Inquiry's request to explain BEIS' preparedness to respond to an economic shock including:
- a) arrangements in place for engagement with business sectors;
 - b) economic shocks preparedness; and
 - c) relevant background on preparedness to deliver economic support schemes including counter-fraud controls and BEIS accounting officer arrangements.
- 4.2 Further, the scope document for Module 1 of the Inquiry references economic planning by relevant government bodies, including capacity and spending commitments and efficiency and anti-fraud controls, in the context of emergency planning. Details of BEIS work on these topics are covered in this section.
- 4.3 I note that a later module will deal in detail with BEIS delivery of economic support schemes. I have therefore in this statement given only a high-level overview of preparedness activities relevant to economic shocks.
- 4.4 I understand that EU Exit is considered within the Module 1 Outline of Scope only in relation to its impact on the health sector. I understand that EU Exit work that is relevant to BEIS, for example, in relation to the economic impact of exiting the European Union is not within the scope of this module. However, because the Department's work on preparedness to mitigate the potential economic impacts of exiting the European Union is relevant to and informed later work to counteract the economic impacts of Covid-19, I have also given a high-level overview of relevant information of key elements of this work. As with any section of this statement, I would be happy to provide further details should the Inquiry so wish.

Engagement with business sectors

- 4.5 BEIS has a number of dedicated sector teams that specialise in engagement with sectors for the purpose of gathering information to inform government policy making. As noted in my statement to Module 2 of the Inquiry, BEIS regularly uses this information for a range of purposes - to share confidentially with Cabinet Office and No.10 to inform decision making across government and also to inform BEIS policy work, for example the development of support to sectors. The circulation of this information is carefully managed in order to protect commercial sensitivity and comply with data protection regulations.

- 4.6 As part of EU Exit preparedness work, BEIS established a Business Investment and Resilience Directorate (**BIRD**) which co-ordinated sectoral engagement with and intelligence from business. This directorate supplied regular intelligence reports to BEIS Ministers. At the beginning of the Covid-19 pandemic, BIRD's remit was expanded to include cross-sectoral engagement and intelligence around COVID response issues. BIRD provided reports to Ministers including information about the pandemic's economic impact in parallel with information from the BEIS Economic Shocks team about companies who were, or had the potential to be, in financial distress. A directorate organogram from March/April 2020 is exhibited at **SM/31, BEISP00000784**.
- 4.7 In parallel, and working in partnership with HMT, BEIS set up Project Kingfisher to enable the Government to respond quickly, effectively and consistently to economic impacts on businesses as a result of a potential no deal EU Exit. Further details of Project Kingfisher can be found at paragraphs 4.35 and 4.36. As a part of Kingfisher, weekly meetings were instituted with representatives from multiple government departments and the Devolved Administrations to share intelligence on potential impacts on sectors and companies and provide training and information on how best to identify potential shocks and engage with companies and sector representative bodies.

Economic shocks

- 4.8 HMT is responsible for setting the direction of the UK's economic policy, including the macro-economic response to economic shocks, whilst BEIS is responsible for enterprise and long-term growth and leads on engagement with the majority of business sectors across the economy. The two Departments liaise closely together on economic policy. For example, BEIS often provides economic analysis and feedback from business to support HMT decision making.
- 4.9 BIS' and subsequently BEIS' approach to economic shocks response operated within a wider framework of Government work on economic shocks, co-ordinated by the CO. In February 2016, at the Economic Affairs Cabinet Committee (**see SM/32, Cabinet Office guidance on Whitehall responsibilities for economic shocks, dated June 2018 BEISP00000757**), the Government agreed to follow certain principles to determine when and how it intervenes in the response to economic shocks. These principles included a consideration of: the number of job losses, the impact of job losses on the local area, whether there were high barriers of entry to the sector, skill sets that were important to the UK economy, strategically important sectors and

political reasons. The full principles, including an economic shocks checklist, are on pages 4 and 5 of **Exhibit SM/33 (Guide for responding to economic shocks v2, dated 28 January 2020, BEISP00000750)**

- 4.10 Prior to the pandemic, the Department had an established approach to monitoring and planning for economic shocks. This included both capacities to support individual companies in financial distress, and wider planning in relation to potential economy wide shocks. The BIS Economic Shocks team was established following the 2008 financial crisis to take an overview of economic shocks and coordinate a response within the Department. The Economic Shocks team worked closely with departments and agencies across Whitehall that also played key roles in Government's economic shocks response. These included the Insolvency Service, the Department for Work and Pensions and UK Government Investments (**UKGI**).
- 4.11 The BEIS Economic Shocks Team was responsible for:
- a) Business Intelligence – the Business Intelligence Unit (**BIU**) worked across Whitehall to collect information about potential shocks and investment opportunities, and circulated insights and early warnings to Ministers, No.10, senior officials and sector teams.
 - b) Building Capability – the Economic Shocks team worked with sector teams across BEIS and Whitehall to support handling of emerging shocks. Various other departments and agencies played key roles in supporting this activity, for example DWP, No 10, MHCLG (now DLUHC), or the Civil Contingencies Secretariat and COBR for more serious shocks.
 - c) Response – the development and deployment of tools, templates and contingency plans, covering economic shocks activities. This could include business-specific taskforces, providing advice and support through local partners, and managing supply chain impacts.
 - d) Learning – the Economic Shocks team ran workshops and prepared guidance documents for Sector teams on preparations of major economic shocks.
- 4.12 The BEIS approach to handling economic shocks can be found in detail on page 12 of **Exhibit SM/33 (Guide for responding to economic shocks v2, dated 28 January 2020, BEISP00000750)**. The approach to economic shocks preparedness focussed on flexibility for scaling up activity and resources in response to emerging crises and using established tools and frameworks for delivering the response.

- 4.13 One such example is the construction and facilities management services company, Carillion, which fell into liquidation in January 2018. The CO took overall government lead for the response (due to government exposure from public sector contracts). Within this, BEIS had a role engaging with industry and communities affected by the insolvency. Extra staff from across BEIS were deployed at short notice to support the Carillion response.
- 4.14 Prior to the pandemic, BEIS also undertook planning exercises to consider the impact of potential economic shocks and develop a proposed response to these. This work then informed planning in sector sponsorship teams, including considering how best to co-ordinate a response, the most appropriate mitigation measures and how best to communicate with business sectors in the event of a shock. These exercises were predominantly focussed on EU Exit in the period prior to the pandemic, but more general exercises were also run focusing on sector specific impacts rather than wider macro-economic impacts. One example of this was Exercise NOBLE PANTHER.
- 4.15 Exercise NOBLE PANTHER took place on 23 August 2018 and was developed as the first exercise in a series to explore the response to an economic shock impacting a specific illustrative sector – in this case, the UK steel industry. The scenario was based upon a steel company site having a single furnace malfunction after a technical incident, resulting in another two furnaces on the site not working.
- 4.16 Two debrief sessions were held following Exercise NOBLE PANTHER – the first shortly after the exercise, and then the second on 18 September 2018. The notes from these sessions are set out in full at **SM/34 NOBLE PANTHER hot debrief, BEISP00000738** and **SM/35, NOBLE PANTHER cold debrief, dated 18 September 2018, BEISP00000776**. Several areas of potential improvement were identified, including refining stakeholder management to make best use of sector knowledge, improving resources in some cells, improving situational awareness and communications, and ensuring written updates were audience specific and suitable.
- 4.17 The experience gained in this exercise, and subsequent work to implement these lessons learnt meant that the steel team were well prepared for British Steel's insolvency in April 2019. Government supported the operation of the company during insolvency until the successful sale of the business to the Jingye Group in March 2020. Experience from the exercise has also supported continued preparedness and refining of expertise within the team.
- 4.18 Through these exercises, BEIS mechanisms for engagement and co-ordination with external companies in distress were tested, lessons were learnt and refinements

made. The approach to economic shocks preparedness was to build a range of response tools and template which were available for policy teams to deploy if needed. These tools and templates could be adapted for differing emergencies and enabled teams to provide a tailored response.

- 4.19 Following the Covid-19 pandemic, the BEIS Economics Shocks team was restructured to reflect lessons learnt from the Covid-19 response. The team identified a need to focus on energy intensive trade-exposed sectors given the impact the reopening of the economy was having on energy prices. Presently, the BEIS Economics Shocks team is conducting work to provide macro-level insight into economic shocks likely to affect the economy following the Covid-19 pandemic. For example, the team has analysed the effect that post-pandemic energy prices have had on companies in order to reflect on whether there is a need for Government response. It has also played a role in monitoring the impact on raw materials flows following the invasion of Ukraine and the impact this is having on companies. For example, before the Ukraine crisis a significant portion of coking coal brought into the UK was from Russia. This was removed from UK supply chains within a matter of months following the invasion of Ukraine. This work provided insights on the need to establish an energy support package for businesses, known as the Energy Bill Relief Scheme. It has also helped assess the need for any bespoke support package for major manufacturers relying on imported raw materials from Russia such as the steel sector.

Wider economic shock planning

- 4.20 Between 2019 and 2020 the Department was involved in wider economic shock planning to deal with the impact of a no deal EU exit²⁴. In this section, I set out a summary of the work that was done and the relevance of this work to the schemes that were devised during the Covid-19 pandemic.
- 4.21 On 15 August 2019, the then Chief Secretary of the Treasury, Rt Hon Rishi Sunak commissioned BEIS and other government departments to consider whether any sector or company specific actions were required in addition to the wider macroeconomic response planned in the event of a no deal EU exit, to manage the immediate impacts on affected sectors. This was not intended to focus on the work already carried out on individual company failures or single sector shocks, such as the previously mentioned exercise NOBLE PANTHER, which focused on an economic shock affecting the steel industry. The support measures were to consider economic

²⁴ Although the terms EU exit and Brexit are often used interchangeably, in this statement I refer to 'EU Exit' in relation to the process of the UK withdrawal from the European Union and associated planning. In some places I refer to 'Brexit' where this is material (for example where this term is mentioned in records or internal governance structures)

shocks in the broader sense – to include economy wide, multiple sectorial and cross cutting response planning. On 3 September 2019, the then Secretary of State for BEIS, Andrea Leadsom responded and provided a detailed note which laid out proposals from each of BEIS sector teams along with supporting evidence. The note is exhibited to this statement at **[SM/36], BEISP00000744**. It covered business support measures that would support Small and Medium Enterprises (SMEs)²⁵ and larger businesses. The note referenced sectors that would have been impacted by a no deal EU exit such as the automotive industry, retail and consumer goods, life sciences, professional and business services and construction.

- 4.22 A BEIS internal Brexit Business Support Board (**BBSB**) was set up in September 2019 and replaced the Macroeconomic Shocks Response (**MSR**) Board. I chaired the Board in my former role of Director General, Business Sectors. The Board met fortnightly between September 2019 and January 2020 and was attended by lead Directors responsible for key sectors and areas such as Business Investment, Business Growth, EU Exit and Analysis, Infrastructure and Growth and Legal.
- 4.23 BBSB's roles and responsibilities were outlined in its Terms of Reference which are exhibited to this statement at **[SM/37 BEISP00000743]**. These included considering the expected business impacts of EU Exit, proposed business support measures that responded to these impacts – whether these were sector-specific, size-specific or broad and cross cutting, whether there were any gaps in the government's provision of support and, if so, how the gaps could be filled. The Board's remit also included overseeing the delivery of any new measures devised/implemented to support businesses.
- 4.24 During the period September 2019 – January 2020 BEIS officials engaged in regular dialogue with HMT on the issues referenced in paragraphs 4.21- 4.23 above. For example, in October 2019, Andrea Leadsom met the then Chancellor, Rt Hon Sajid Javid to discuss the main issues that businesses would face in the event of a no deal EU exit and the proposals that the Department had put together to support businesses in this position, in addition to Project Kingfisher. The notes of this meeting dated 7 October 2019 set out the business support proposals and a summary of HMT's position on the proposals (exhibit **[SM/38 BEISP00000745]**).

²⁵ An SME is any organisation that has fewer than 250 employees and a turnover of less than €50 million or a balance sheet total less than €43 million.

4.25 In overview, BEIS officials developed a range of potential support options for businesses with five goals in mind; these were to:

- a) Retain and grow business investment including in vulnerable sectors and supply chains (to avoid loss of capacity that would be hard to regain in the future). This would have been achieved by delivering grants and loans, which would be conditional on jobs and investment in the UK. The grant or loans would have been delivered as part-funding for investment projects, with decisions on application being made within 4 weeks and the funds delivered over time as the projects were carried out;
- b) Prevent immediate closure of critical companies who did not meet other funding criteria by using the Kingfisher core group mechanism to determine what, if any support or HMG intervention was appropriate;
- c) Support the banking sector in providing lending to SMEs who faced temporary disruption caused by EU exit. This would have been achieved by seeking to ensure high visibility for the BBB's EFG through communication campaigns to push banks to improve uptake and also by seeking agreement to remove the 2% premium on loans and increase the loan limit to 80%;
- d) Support SMEs in harder hit regions who were facing liquidity or critical investment support constraints which risked loss of employment and productivity capacity. This would have been achieved by providing a grants and loans programme (max/case £1m per award) targeted at the regions, Devolved Administrations and the companies and sectors within them which were expected to be hit the hardest by a no-deal EU exit; and
- e) Support areas impacted by unavoidable closures by considering existing packages such as DWP Rapid Response Service and DfE support for apprenticeships and retraining.

4.26 Further proposals and advice were developed for a revised and refocused business support scheme on 15 October 2019. The details of bespoke packages designed to support businesses through the National Brexit Transition Fund – Regional and Local Delivery Programme were contained in a submission to the then Secretary of State, Andrea Leadsom, dated 15 October 2019, exhibited at **[SM/39] as BEISP00000746**. In summary, there were four elements to the proposed support for businesses. These were:

- a) Brexit Transition Fund: Regional Delivery – this was to support investment and prevent disinvestment of SMEs in the most affected and deprived regions. This was to be delivered by the National Brexit Transition Fund²⁶;
- b) Special support for disrupted flow of goods – this was to provide a public grant fund delivered by regional partners to support targeted SMEs in specific vulnerable regions;
- c) Special support for vulnerable suppliers – this was to provide immediate and short-term small-scale support to a supply chain or business customer in circumstances where a larger prime supplier shut down its operation (at short notice on a temporary or permanent basis); and
- d) Local Emergency Business Support – this was to provide small emergency short-term funds to respond to acute local shocks. For example, failure of a major business in a vulnerable local economy or acute congestion near to ports delivered by regional partners.

4.27 Discussions continued with BEIS Ministers and with colleagues at HMT through late 2019 and early 2020. However, due to the pandemic, these discussions were overtaken by the launch of the Covid-19 support schemes. Whilst the above proposals were not used during the Covid-19 pandemic, the detailed analysis and thinking that went into planning for a no deal EU exit set a framework that could be drawn upon when devising and delivering the Covid-19 support schemes.

Wider Preparedness in relation to economic support, including counter-fraud controls

4.28 Prior to the Covid-19 pandemic BEIS had experience in delivering financial support, both directly and through BEIS partner organisations. The most notable support schemes during this period were the Regional Growth Fund (RGF) and Enterprise Finance Guarantee (EFG) scheme.

4.29 In this section, I set out information about:

- a) Relevant lessons learnt from the 2008 financial crisis;
- b) Project Kingfisher;
- c) BEIS accounting officer principles and approaches;

²⁶ The National Brexit Transition fund was announced by the Chancellor of the Duchy of Lancaster to help small businesses with the changes to trade rules following the UK's exit from the European Union. Traders identifying as an SME were eligible to apply for a grant of up to £2,000 for practical support with the new importing and exporting rules.

- d) Preparedness to deliver grant funding;
- e) Preparedness to deliver loan funding;
- f) Counter fraud controls;

2008 Financial Crisis

- 4.30 In August 2019, to inform planning for the UK exit from the European Union, BEIS officials undertook a review of the response to the 2008 financial crisis, and provided advice to the then Secretary of State, Rt Hon Alok Sharma. This advice is summarised in this section and can be found at **[SM/84, dated 20 August 2019]**.
- 4.31 HMT and the Bank of England (**BoE**) adopted several macroeconomic measures to respond to the financial crisis. In addition to the macro-response provided by HMT/BoE, BIS/BEIS operated the Strategic Investment Fund (**SIF**) designed to support a variety of investments both to protect jobs and promote future investments to provide targeted support to assist the recovery of the economy.
- 4.32 As a subset of SIF 2008-2011, BIS/BEIS operated the Grant for Business Investment (**GBI**) scheme which was a discretionary national business support scheme. The scheme was then replaced by the RGF. As a subset of RGF BIS/BEIS also provided support to diversification of supply chains via the Advanced Manufacturing Supply Chain Initiative (AMSCI)²⁷.
- 4.33 HMG launched several schemes to support businesses, working with banks as intermediaries. This included the Enterprise Finance Guarantee, Working Capital, and Capital for Enterprise Fund. These were aimed at SMEs who were struggling to access finance or were experiencing cash flow restrictions.²⁸
- 4.34 The National Audit Office (**NAO**) produced a report on 19 March 2010 on the support given to businesses during the recession.²⁹ They noted several key lessons from the last recession including:

²⁷ AMSCI was a competitive fund that provided subsidies in order to improve the global competitiveness of UK advanced manufacturing supply chains. Funding was available to support capital investment, research and development, expenditure and training to help UK supply chains achieve world class standards and encourage major new suppliers to locate to the UK.

See **[SM/40, BEISP00000727]**

²⁸ The Working Capital Scheme was announced on 14 January 2009. The Scheme guaranteed a bank's exposure to loans to businesses and worked by providing the banks with a guarantee of up to 50% of the risk on existing and new working capital portfolios.

The Enterprise Finance Guarantee started running on 14 January 2009 as a way of improving problems around small and medium enterprises access to short-term finance and to prevent viable businesses from closing. Business applied to participating lenders. If the lender considered the business eligible for the loan, then the 75% of the loan would be guaranteed.

See **[SM/41, BEISP00000715]**

Since their inception in 2006, 28 Enterprise Capital Funds have been launched, supporting more than 550 growing businesses.

See **[SM/42, BEISP00000787]**

²⁹ See **[SM/43, BEISP00000713]** & **[SM/44, BEISP00000714]**

- a) When providing targeted support to businesses, there is a premium on speed of action and maintaining business confidence. Addressing issues after the fact may be more costly than intervention at the time.
- b) Getting business, people and place support schemes and delivery structures properly resourced and in place early is crucial - including having funding in place to speed up delivery and boost confidence.

Project Kingfisher

- 4.35 Following the EU referendum in 2016, BEIS officials undertook work to prepare for potential economic impacts from exiting the European Union as part of a wider portfolio of policy, legislative and contingency work. This work built on lessons learnt from the 2008 financial crisis.
- 4.36 In early 2019, Project Kingfisher, was set up to enable Government to respond quickly, effectively and consistently to economic impacts on businesses as a result of a potential no deal EU Exit. Project Kingfisher developed a series of prospective options to support companies in distress and guidance on when these could be used. Project Kingfisher was not a policy response itself and did not offer business support – it gathered intelligence and offered expert advice on possible intervention options. Guidance on Project Kingfisher, explaining the principles and potential options to support businesses, can be found at **[SM/45, dated June 2019, BEISP00000741]**.

BEIS Governance and Accounting Officer arrangements

- 4.37 As the BEIS Principal Accounting Officer, I am ultimately responsible to Parliament for the regularity of the delivery of funding by both the Department and BEIS partner organisations.³⁰ Partner organisations cover a range of public bodies including those classified by Cabinet Office as Executive Agencies, Non-departmental Public Bodies (NDPBS) and Non-ministerial departments (NMDs), as well as public corporations. Partner organisations manage the majority of financial activity at risk of fraud, and have their own counter fraud teams and strategies.
- 4.38 In 2015 BIS adopted the Government Functional Standard on counter fraud that was issued in 2015 as the basis for managing the risk of fraud within the Department. The Government Functional Standard for counter fraud set out the expectations for

³⁰ Regularity means the funding is compliant with the relevant legislation and wider legal principles such as subsidy control and procurement law, delegated authorities, and Managing Public Money. Propriety means funding that meets high standards of public conduct, including robust governance and the relevant parliamentary expectations, especially transparency.

government departments and other public bodies in their management of counter fraud activities.

- 4.39 As the first line of discharging this responsibility, the heads of the BEIS executive agencies and non-departmental public bodies are appointed as delegated Accounting Officers with responsibilities to observe and uphold all requirements of Managing Public Money.³¹ The CEOs of the Non-Ministerial departments are appointed as Accounting Officers for those departments by HMT directly but are sponsored by BEIS.
- 4.40 Managing Public Money is a document produced by HMT (**exhibited at SM/46 – BEISP00000765 dated March 2022**) which sets out the main principles for dealing with resources for public bodies such as the need to gain value for money and to ensure compliance with legal principles and wider government guidance (regularity) whilst meeting high standards of public conduct (propriety).

Grant funding including counter fraud controls

- 4.41 As set out at paragraph 4.32, prior to 2020, BEIS made use of grant funding in order to support growth and economic development.
- 4.42 One example of this was the RGF. The RGF was created in June 2010 with three key aims: to leverage private sector investment, to create/safeguard jobs and to support economic growth in lower income regions in the UK. Investment criteria included: location (there was a focus on less economically developed areas), value for money and state aid compliance. The focus was revised in the last two bidding rounds to include the objective of improving productivity as the economy moved towards full employment. The RGF committed £2.6 billion over the period 2011-12 to 2016-17 to a range of projects and programmes including subsidies for capital investment, research and development and training.
- 4.43 The Cities and Local Growth Unit (**CLGU**) – a joint unit between BEIS and MHCLG – also delivered a number of different grant programmes prior to the Covid-19 pandemic. For example, following significant flooding across multiple local authorities in November 2019 and following storms Ciara and Dennis in February 2020, the Government activated the Flood Recovery Framework³². The Flood Recovery Framework set out in detail the core package that was designed to help meet the recovery needs of communities and businesses following a severe weather event. The core package was comprised of several schemes including the Business Recovery Grant. This grant formed part of the CLGU's response to the floods and storms referred

³¹ [SM/46, BEISP00000765]

³² [SM/13, BEISP00000785]

to above with grant payments made via local authorities. A summary table detailing the programmes the unit managed, and the mechanism through which they were delivered, can be seen at Annex F.

- 4.44 BEIS partner organisations were also responsible for the design and administration of grants. As set out in the BEIS 2020 Accounting Officer System Statement³³, prior to 2020 most BEIS grants to private and voluntary sector bodies were allocated by those partner organisations that were responsible for taking individual decisions on which proposals should and should not receive grant support. The Department's role was to fund the partner organisations in question through grant-in-aid and to oversee the overall funding framework under which grants are issued. A minority of grants are issued directly by the Department for purposes authorised by Parliament under the Estimates processes.
- 4.45 The Accounting Officer Statement identified UK Research and Innovation (**UKRI**) as a key recipient of BEIS grant funding. UKRI's primary activity involves funding both researches at UK Higher Education Institutions and related R & D organisations and innovation support grants to UK businesses. UKRI was formed in 2018 from the seven Research Councils, Innovate UK and the Research and Knowledge Exchange functions of the Higher Education Funding Council for England. At this time, building on the expertise in its legacy organisations, UKRI launched an integrated Counter Fraud and Bribery policy, established a central team, ensured relevant counter fraud training for specialist staff and developed a new counter fraud risk register strategy. In 2020, UKRI were assessed as achieving all 12 Government Functional Standards for counter fraud. Counter Fraud and Bribery prevention was, and continues to be, an important focus in the operation of UKRI, with procedure evolving over time in line with Cabinet Office requirements and the changing characteristics of the business.
- 4.46 BEIS followed the Government Functional Standard for grants issued by the CO in December 2016 to promote effective grant applications across government departments³⁴. The Government Functional Standard for grants sets out the expectations for the management of grants across government departments and public bodies. That document was itself augmented by additional specific guidance documents covering ten 'minimum standards', including, for example, that all government grants shall have a named senior officer associated with them and the publication of grants above a certain threshold on the Government Grants Information

³³ [SM/47, BEISP00000755]

³⁴ See Government Functional Standard – Grants , version 21 July 2021 [SM/48, BEISP00000760]

System. The purpose of these standards was to ensure the overall effectiveness of grant funding arrangements and controls.

- 4.47 All grants issued by both the Department and its partner organisations were intended to comply with the requirements set out in the principles of Managing Public Money as regards propriety, regularity and value for money. The Department worked closely with its grant-giving teams and partner organisations to help the CO design a set of guiding principles for the administration of grants.
- 4.48 An internal audit was carried out in 2018 by the GIAA to evaluate and test compliance of grants awarded and managed by BEIS (excluding partner organisations) against the 10 new Grants Standards (see paragraph 4.46) and found that these met 7 out of 10 criteria. For the period 2017-18 the audit found only 3 grants directly managed and awarded by BEIS (the rest being awarded by POs) since the new standards were applied, the first two being under the RGF- Round 6 and the second being the Productivity Council. The audit report can be found at **[SM/85, dated April 2018]**.

Loan funding including counter fraud controls

- 4.49 BEIS relied on the British Business Bank (**BBB**), a BEIS partner organisation, to deliver financial support in the form of loans. I will not seek to cover in detail the preparedness of this organisation, as the Inquiry may wish to contact the BBB directly on this matter.
- 4.50 The BBB delivered business support schemes as a government company wholly owned by BEIS, who acted as its sponsor and shareholder. The BBB had experience prior to the pandemic in managing counter fraud risk in the loan schemes for which it was responsible.
- 4.51 The BBB's Enterprise Finance Guarantee (**EFG**) scheme was operational from 2009 to 2021. It replaced the prior Small Firms Loan Guarantee (**SFLG**) scheme. The rationale for both schemes was to address the market failure in the provision of debt finance, whereby viable businesses were unable to obtain normal commercial loans, because they lacked adequate security or a proven financial track record. The scheme supported the provision of over £3.3 billion of finance to more than 35,000 smaller businesses in the UK. The EFG scheme provided the lender with a government-backed 75% guarantee against the outstanding facility balance in order to encourage more loans to be made. The scheme was managed by British Business Financial Services Ltd on behalf of BEIS.
- 4.52 The infrastructure of the EFG scheme (such as the documents for agreements between the BBB and lenders) was subsequently adapted as the basis for the Covid-

19 debt guarantee schemes administered by the BBB on behalf of the Department - the Coronavirus Business Interruption Loan scheme, Coronavirus Large Business Interruption Loan scheme and Bounce Back Loan scheme. This supported a quick rollout of the Covid-19 schemes by using established mechanisms familiar to BBB and its delivery partners. The terms on which support via these schemes were offered differed from the EFG schemes, reflecting the particular circumstances of the pandemic.

Counter fraud controls within central BEIS

- 4.53 In 2017 and 2019, BEIS counter fraud team created internal counter fraud strategy documents setting out the Department's approach to managing fraud, bribery and corruption risks in BEIS and its partner organisations. The 2017 and 2019 strategies can be found in full at **SM/49, dated January 2017, BEISP00000774 and SM/50, dated January 2019, BEISP00000753** respectively.
- 4.54 Prior to the pandemic, most financial activity that was prone to fraud was operationally handled through partner organisations and not centrally managed by the Department. The partner organisations had delegated responsibilities to carry out sufficient counter fraud work. Because fraud-prone financial activities were mostly managed outside of BEIS, the counter fraud team within the Department had two full time staff. This team advised BEIS staff on counter fraud matters and delivered relevant counter fraud training. As set out above, prior to the pandemic the key schemes were EFG – delivered by BBB, and the RGF.
- 4.55 As I have shared previously with the Public Accounts Committee, important learning about the approach to counter fraud has been implemented following 2020, and this is reflected in the resourcing and arrangements for the current counter fraud function within BEIS. Between September 2021 and September 2022, the BEIS Counter Fraud team has grown from 2 FTE to 9 FTE and will expand to 15 FTE in the upcoming months. During this period BEIS Counter Fraud worked with Counter Fraud experts across Government to design an Operating Model and are in the process of developing an updated Counter Fraud Strategy for BEIS. The strategy will support BEIS and partner organisations to understand, prevent, find and respond to fraud. The BEIS Counter Fraud strategy will put data and expertise at the heart of managing fraud across BEIS.
- 4.56 Since the pandemic BEIS Counter Fraud team have worked on raising the awareness of fraud both internally within BEIS and with our partner organisations. A programme of training and awareness sessions has been delivered - designed at placing fraud at

the forefront of the minds of all staff. From September 2021 (see September 2021 Dear Accounting Officer letter)³⁵, all central government departments and their arm's length bodies were mandated to follow the Government Functional Standard for counter-fraud. The BEIS Counter Fraud team have worked with partner organisations to embed and deliver this, ensuring that both internal and delegated functions are to the expected standard.

- 4.57 Working with the Covid Schemes Counter Fraud Policy team, NATIS³⁶ and BBB, BEIS Counter Fraud team have led on establishing a Counter Fraud Programme and Board to drive and assure the delivery of all recovery and enforcement activity within the BEIS COVID schemes. As of December 2022, enforcement activity through BEIS (rather than through the lenders) has been via NATIS. NATIS have 558 open investigations and have recovered £5.8m, as well having made 58 arrests relating to Bounce Back Loan fraud. I understand this will be a consideration for a later Module but can provide more information if the Inquiry requires.

³⁵ See [SM/51, BEISP00000761]

³⁶ NATIS (National Investigation Service) is a law enforcement organisation that investigates cross-border, large, complex, serious organised crime relating to the public sector.

Section 5 – Planning for a pandemic

Forecasting and expert advice

- 5.1 The Inquiry has asked the Department to provide a detail on **forecasting and expert advice** used by the Department in respect of planning for civil emergencies from 11 June 2009 to 21 January 2020.
- 5.2 BEIS undertakes a range of horizon scanning to inform emergency response and planning. Prior to the pandemic, BIS and DECC took different approaches to forecasting. BIS had not engaged in bespoke forecasting or horizon scanning specifically for pandemic flu, or other medical emergencies. DECC, however, produced an internal strategy for pandemic flu in the downstream gas and electricity sector **[Exhibit SM/12, dated March 2015, BEISP00000726]**. This strategy, discussed below, was in response to the 2015 WHO report on Influenza, issued on 26 January 2015.
- 5.3 To the best of my knowledge, BEIS or its predecessor departments did not undertake any formal lessons learnt reviews after the 2006 bird flu outbreak, the 2012 MERS outbreak, the 2013-16 Western Africa Ebola virus epidemic and the 2015-16 Zika virus epidemic. DECC undertook a lessons review after the 2009-10 Swine Flu pandemic.

Past simulation exercises

- 5.4 The Inquiry has asked the Department to examine any learning from past simulation exercises and near pandemic events. I have set these out below.
- 5.5 The Department regularly conducted exercises to test a wide range of risks and response plans associated with emergency incidents. Over the years the Department and its predecessor departments have contributed to and participated in simulation exercises in readiness and preparation for future pandemics. I have set out below some examples of these exercises, and I have included lessons learnt, where possible, and how the lessons have been implemented.
- 5.6 In November 2013, Pandemic Flu was one of the major risks to the UK identified in the National Risk Register. The then Department of Health (**DH**) assessed that there was a high probability of a flu pandemic occurring, that the impact of such a pandemic was likely to be high and plans needed to be robust. DH planned to test their plans through a Tier 1 National Exercise³⁷ to take place in October 2014. This was intended to be

³⁷ Tier 1 Exercises are National Level Exercises and Cabinet Level Exercises

wide-ranging and cover many aspects of the public and private response to a pandemic.

- 5.7 During 2015-16, DH and the CO ran a number of cross government exercises to assess preparedness and response to an influenza pandemic in the UK. This included Exercise CYGNUS, including the first stage known as Exercise CYGNET, as well as a surge capacity exercise (for Ebola), a preparedness and review workshop (for Ebola), Exercise VALVERDE (for novel coronavirus), Exercise ALICE (for MERS) and Exercise NORTHERN LIGHT (for Ebola). Exercise CYGNUS involved multiple government departments, and examined food supplies, schools and universities, port operations, public events, criminal proceedings and HMRC functions.
- 5.8 I understand from information provided by former officials, that in terms of pandemic flu preparation exercises, the Department had some level of involvement in Exercise WINTER WILLOW (DTI's involvement was in 2007) and Exercise CYGNUS and that there was a DECC run energy-specific exercise, LANDSTEINER. In the paragraphs below, I have provided detail on Exercises CYGNUS and LANDSTEINER. However, my officials have not been able to locate any relevant information regarding DTI's involvement in Exercise WINTER WILLOW in 2007, which would assist this Inquiry. The Department's Inquiry Response Unit will continue with their searches and will update the Inquiry should further information become available.

Exercise CYGNUS

- 5.9 Phase one of Exercise CYGNUS (Exercise CYGNET) in May 2014 involved the Chief Medical Officer chairing a Health Delivery Board meeting which sought to reach conclusions on key policy issues such as school closures and the use of and distribution of antivirals. Phase two was designed to assess the preparedness and response to an influenza pandemic at local and national levels. Phase two of Exercise CYGNUS was rescheduled a number of times by DH, with the original second phase due to take place in October 2014. The exercise was first rescheduled in October 2014 due to the need to plan for the UK response to the 2014 Ebola epidemic. The exercise was then rescheduled to 2015, and eventually took place on 18-20 October 2016. A DH brief (23 September 2016) on Phase two of Exercise CYGNUS, with the details of the exercise aims and objectives, can be found at **Exhibit SM/52, BEISP00000770**.
- 5.10 Over 2014 and 2015, DH developed the scenario for Exercise CYGNUS. It was to be an event focussed on the coordination of resources to cope with deaths; hospital

capacity; the social care policy implications during a pandemic; and the use of the third sector³⁸ to support the response.

- 5.11 On 6 November 2015, the Rt Hon Jeremy Hunt MP, the then Secretary of State for Health, formally requested support from officials in DECC and BIS in planning the exercise. In the same letter, each key Whitehall department was invited to role-play in Exercise CYGNUS Phase two. **[SM/53, dated 6 November 2015, BEISP00000729]** The letter explained that Phase 1 had been a simulated Health Delivery Board and that “the second phase was to take place over three days involving ministers, departmental officials, Devolved Administrations and Local Resilience Fora”.
- 5.12 The overall aim of Exercise CYGNUS was to assess preparedness and response to an influenza pandemic at local and national levels in the UK. Key cross-governmental and local level policy areas for exploration included:
- a) Deaths and the coordination of the capability to respond within the community;
 - b) Social care policy and its implications;
 - c) Use of the third sector during a pandemic; and
 - d) Hospital surge capability.
- 5.13 Phase two of Exercise CYGNUS took place over three days. The full plan can be found on page 9 of the Public Health England Exercise Cygnus Portfolio **[Exhibit SM/54, dated 21 January 2016, BEISP00000732]**. Day 1 consisted of a SitRep meeting of the fictitious preceding six weeks as well as a Scientific Advisory Group for Emergencies (SAGE) prediction of the outbreak. Following this meeting, Day 1 was used to prepare for a COBR SitRep meeting that would assess the likely impacts of the predicted numbers and steps that can be taken to address them. This first COBR SitRep meeting on Day 2 discussed this information and assigned further tasks for the participants, this included producing the agenda for a second COBR SitRep Meeting on Day 3. A final CRIP was produced on Day 3, although participants did not need to respond.
- 5.14 The Exercise CYGNUS scenario did not include any disruption to energy supply or infrastructure. It also did not consider economic impacts of a pandemic, and the impact on businesses was not in scope. The scenario did factor in a peak of 20% staff absence rates two weeks into the future of the artificial exercise date, but analysis from the Pandemic Steering Group (of the Energy Emergencies Executive Committee)

³⁸ The part of the economy comprising non-governmental and non-profit-making organisations, such as charities and cooperatives.

concluded that this level of absenteeism would not cause significant disruption in the electricity and gas sectors. This was outlined in a submission to Secretary of State Amber Rudd on 19 November 2015 (**see exhibit SM/55, dated 19 November 2015, BEISP00000728**).

DECC Involvement and Exercise Landsteiner

- 5.15 DECC did not participate in Exercise CYGNUS, as the key exercise parameters specified that fuel, gas/electricity and water supplies were expected to be maintained in the exercise scenario (i.e., there was not expected to be a disruption to energy supply). (**See Exhibit SM/54, dated 21 January 2016, PHE Exercise Cygnus Portfolio**) It was considered by DECC officials at that time that they would therefore be insufficiently involved with the exercise discussion and would have limited ability to make a useful contribution. Further, the exercise was planned to take place during the busiest part of the year (October) when severe weather conditions can cause incidents which the team would need to respond to, and preparedness activities for the coming winter are at their peak (**Please see exhibit SM/56, dated March 2016, BEISP00000752 Exercise Cygnus next steps**). For these reasons DECC officials recommended to Ministers that DECC did not participate.
- 5.16 DECC did, however, run an energy specific pandemic flu exercise (LANDSTEINER) subsequently in 2016. The learning from Exercise LANDSTEINER was then used to develop response plans, which were put into action at the beginning of the Covid-19 pandemic. I provide more information on Exercise LANDSTEINER in the paragraphs below.
- 5.17 In 2014, DECC officials worked closely with DH to plan Exercise LANDSTEINER. However, in response to Jeremy Hunt's request of 6 November 2015, Amber Rudd, then Secretary of State for DECC, in a letter dated 30 November 2015 declined her direct involvement in phase 2 of Exercise CYGNUS, noting the aims of the exercise and nature of the scenario meant DECC would not have a significant role. The letter indicated that her officials would be able to provide the necessary input and support for the Ministerial COBRs in her absence (**see Exhibit SM/57, letter from Amber Rudd to Jeremy Hunt, dated 30 November 2015 BEISP00000730**).
- 5.18 On 14 April 2016, DECC wrote to industry representatives informing them that Exercise LANDSTEINER would be taking place and asking for participation (see full letter at **Exhibit SM/58, dated 14 April 2016, BEISP00000733**). The letter specified that the proposed exercise would test the communication flows between industry and DECC, and the ability of DECC to aggregate the data and identify areas of concern.

- 5.19 The purpose of the exercise was to test the mechanisms for reporting staff absences in the energy sector during a pandemic event. The reason for this is that staff absences would be a key risk to energy supply continuing to function normally during a pandemic. The scenario for Exercise LANDSTEINER assumed an absenteeism rate of up to 30%, with clusters around London, Manchester and Cardiff. Schools were assumed to have remained open. Industry representatives were required to return a completed Absenteeism SitRep template directly to DECC, who would then analyse the returns and respond accordingly. The exercise was designed to test the Department's ability to escalate concerns and make contingency plans and work cross government where necessary. Reporting mechanisms for tracking levels of staff absences in energy companies identified through the exercise were updated over the course of 2015 through the Pandemic Steering Group, established with industry in 2016 and are still in place in 2023.
- 5.20 The scenario was set two months into a widespread and severe pandemic that had reached the UK two weeks previously (**see Exhibit SM/59, dated September 2016, BEISP00000734** – Presentation on Exercise LANDSTEINER). The pandemic would reach 35-50% of the population, causing between 15-20% of staff to be absent on any given day. These levels would remain similar for one to three weeks.
- 5.21 By the time the second part of Exercise CYGNUS happened, the merger of BIS and DECC had taken place. Therefore, BEIS officials who had moved from DECC ran the exercise in September 2016 with representatives of the gas and electricity sector in line with guidance set out in the Downstream Gas and Electricity Pandemic Flu strategy.

BIS involvement in Exercise CYGNUS

- 5.22 This section has been drafted with the help of recollections from former BIS staff. I am grateful to Sir Martin Donnelly, former Permanent Secretary for BIS, for sharing his recollections. BIS contributed to early planning for Exercise CYGNUS. From 2014-15, BIS officials worked with DH to input into the design of Exercise CYGNUS. For example, in September 2014, BIS Higher Education officials contributed to a briefing for the Chief Medical Officer regarding the economic and societal effect of closing universities. These contributions can be found at exhibit **[SM/60, dated 7 October 2014, BEISP00000724]**.
- 5.23 Machinery of Government changes at the time BEIS was created meant that the higher and further education remits moved to the Department for Education. By October 2016

(Phase two of Exercise CYGNUS), BEIS no longer had responsibility for university policy.

- 5.24 In the recollection of Sir Martin Donnelly, the assessment at the time was that, as the scenario for the exercise developed, the focus was on health and social care issues rather than economic and business impacts. Ministers were briefed by officials that the Department did not need to participate in the exercise as the scenario was focussed specifically on the public health response. This meant that BIS officials would have little or no input to offer the exercise in this form. Subsequently a letter was sent summarising this position (**SM/61, letter from the Rt Hon Sajid Javid MP to Jeremy Hunt, dated November 2015, BEISP00000771**). All such decisions on prioritisation of work and resources within the Department took place against a background of wider pressures. At the time a reduction of approximately 25% of BIS staff over a period of 6 years was taking place.

BEIS involvement

- 5.25 As a result of the above actions of its predecessor departments, BEIS officials did not participate in Exercise CYGNUS.

Lessons Learnt from Exercise CYGNUS, LANDSTEINER and other Exercises

- 5.26 The Exercise CYGNUS lessons learnt report (PHE Exercise CYGNUS report: Tier One Command Post Exercise Pandemic Influenza) dated July 2017, [**Exhibit SM/62 - BEISP00000766**] focussed on improving the public health response. No recommendations were made that were directly relevant to BEIS' areas of responsibility, including energy and wider business sectors.
- 5.27 However, lessons learnt from Exercise LANDSTEINER were implemented by BEIS prior to and during the response to the COVID-19 pandemic. For example, this included the importance of regular monitoring of employee absences in energy companies during a pandemic and maintaining contingency plans to ensure that energy plants could continue to operate with high levels of absences.

Biosecurity issues for the Department

- 5.28 I note that the Inquiry has requested details of any planning in relation to biosecurity issues. I can confirm that we have not undertaken work specifically in relation to biosecurity relating to a pandemic or other medical emergency. My Department was reliant upon the work of other expert departments including the Department of Health and Social Care on these matters prior to the pandemic and continues to be so.

Section 6: Lessons learnt

- 6.1 The Inquiry has asked for a description of any reviews into BEIS' response to the Covid-19 pandemic, measures taken and intended to be taken to improve its state of planning, preparedness and readiness for future pandemics and I deal with these below.
- 6.2 I provided information on lessons learnt in my separate statement to Module 2 of the Inquiry. Following discussions with the Inquiry on how this should be presented, this information is reproduced in this section, from paragraphs 6.3 – 6.22. I have also included new details (paragraph 6.23 - 6.31) relevant to the scope of Module 1 in relation to lessons learnt from emergency response and resilience work, which were not included in the Module 2 statement.
- 6.3 Below I have summarised:
- a) Lessons learnt from the first phase of Covid-19 in 2020 including a 'critical friend' independent report.
 - b) BEIS evaluation programmes.
 - c) BEIS emergency response lessons learnt report from August 2020
- 6.4 During the pandemic, BEIS has periodically undertaken lessons learnt reviews and used these to refine ways of working, both within the central Covid-19 coordination teams and within individual policy teams involved in, for example, the delivery of Covid-19 support schemes. Wherever possible, lessons learnt have been acted upon and implemented - and details are set out below.
- 6.5 BEIS is also carrying out individual evaluations of the Department's main Covid-19 interventions in line with the Department's Monitoring and Evaluation Framework. The findings of each evaluation will be published in due course and key learning from across the evaluations is being recorded by the Department's Central Monitoring and Evaluation Team. The Department is also carrying out an overarching programme evaluation that will look at the combined impact of BEIS' Covid-19 interventions and I set out more information on this below.
- 6.6 BEIS has not undertaken any evaluations of wider government strategy or approaches to public health preparedness; these are a matter for DHSC, Cabinet Office and other relevant departments.

Internal lessons learnt exercise – July 2020

- 6.7 In July 2020 at the closure of the BEIS Covid-19 coordination hub, and as part of establishing a permanent directorate with responsibility for Covid-19, BEIS undertook an informal lessons learnt review of ways of working, and also an independent critical friend review.
- 6.8 Key findings of the lessons learnt review included that:
- a) Resourcing the new pressures of Covid-19 was a challenge across the Department, particularly in central coordination teams.
 - b) The review also recommended the development of standardised operating models based on BEIS learning from EU Exit and Covid-19, including a nominated single DG sponsor for the work. This was implemented and from July 2020-April 2022, Jo Shanmugalingam, Director General for Science, Innovation and Growth acted as lead sponsor.
 - c) The review concluded that the Department could do more in sharing expertise arising from BEIS work with business sectors in order to support central policy making (for example in sharing business insight and intelligence to help better target policies to influence business). BEIS sought to build on this insight in later work during the pandemic (for example, as highlighted above, BEIS regularly shared analysis and information about business views to support Cabinet Office and HMT policy development).
- 6.9 A critical friend review was also undertaken by John Harkin, reporting to the Covid-19 Programme Board on 16 July 2020. A summary is at **SM/63, dated 16 July 2020, BEISP00000756**. The review found good evidence that the programme was contributing to the Government's Covid-19 mitigation strategy and that it had the right aims and objectives to support the overall cross-government Covid-19 response strategy. However, the review also identified areas for improvement, particularly around ensuring clarity of the scope of the programme and identifying the right resources to support work on Covid-19 during autumn/winter 2020.
- 6.10 All the recommendations of the critical friend review were implemented by October 2020 and a subsequent report was presented to the Covid-19 programme board to confirm this; this can be found at **SM/64, dated 6 January 2021, BEISP00000759**.

BEIS Covid-19 evaluation programme

- 6.11 The purpose of the BEIS Covid-19 evaluation programme is to support accountability and transparency of public expenditure, to identify the impact that the interventions had and to ensure that key lessons are identified to support future policy. A list of the individual Covid-19 scheme evaluations currently underway is provided in Annex H.
- 6.12 Four early reports have been published: for Corporate Insolvency and Governance (**CIGA**), Covid-19 Loan Guarantee Schemes, Future Fund and UKRI support. Further reports and updates will be published during the course of 2023-4. As these evaluations have recently been published, BEIS policy teams are currently reflecting on the findings in order to consider how best to respond and implement these and this work is ongoing.
- 6.13 BEIS also commissioned Ipsos (a research consultancy), on 20 July 2021 to carry out the initial stages of an overarching programme evaluation, which will provide an assessment of the Department's combined response to the Covid-19 pandemic, with a particular focus on its role in mitigating the economic impacts of the virus. A summary of the areas of review which were in and out of scope are included in a structure chart, which is at **SM/65, dated 12 January 2022, BEISP00000764**. A summary of the evaluation can be found at **exhibit SM/66, dated 12 January 2022, BEISP00000775**.
- 6.14 The aims and objectives of the overarching evaluation are closely linked to the evaluation of individual schemes. The Central Monitoring and Evaluation team has oversight of individual evaluations and are working closely with Ipsos to refine the evaluation research questions and methodology iteratively as the individual evaluations progress.

Emergency Response Lessons Learnt Report – January-July 2020

- 6.15 In August 2020, the ERT published a Lessons Learnt review of the BEIS emergency response to the Covid-19 pandemic. The full report can be seen as [**SM/86, dated August 2020**] and covers the period of January-July 2020. The report was compiled following a survey, as well as workshop sessions.
- 6.16 The report identified key lessons on ways of working – including the importance of: adjusting the response team depending on the scale and longevity of a response, co-location of staff, welfare of staff, resourcing, and general processes and tools. Contingency plans for specific CNI sectors have also been reviewed in light of the lessons learnt from the initial response, including ensuring that each sector team has emergency plans that include pre-agreed reporting frameworks with industry.

- 6.17 The report identified 40 specific lessons to be taken forward and actioned to ensure that any subsequent emergency response would be improved.
- 6.18 The report and lessons learnt were split into four categories:
- a) emergency response process, which focussed on the logistics cell, the situation cell, correspondence, welfare of staff, ways of working and scaling up to a cross-BEIS response.
 - b) resourcing the response, which focussed on onboarding BEIS Emergency Response Group volunteers and mobilised staff, mobilisation of BEIS wide response, training and exercising and the Emergency Operations Centre.
 - c) CNI policy response, which focussed on emergency response plans, working with industry and CNI coordination.
 - d) cross-HMG working which focussed on the Covid-19 secretariat.
- 6.19 Overall, the report considered that the lessons learnt process evidenced that the ERT was successful in standing up its structures and developing new processes and tools to address Covid-19, especially as the pandemic and governmental response evolved.
- 6.20 Each lesson was assigned a lesson owner, and regular checkpoints decided to review future progress. The implementation of these lessons will mean that BEIS is better prepared in the future to respond to large scale emergencies similar to Covid-19, and to be adept at evolving a response as an emergency changes.

Planning for future pandemics

- 6.21 BEIS officials are engaged with current UKHSA and DHSC led planning for future waves of Covid-19 and other pandemics.
- 6.22 The Department also undertakes planning for potential economic shocks which could be relevant to a future pandemic. For example, work is underway to respond to challenges such as the high cost of living and high energy prices that impact businesses and consumers. The lessons learnt from Covid-19 support schemes have fed into this planning. For example, for grants delivery, the Department has brought delivery expertise together in one location within the organisation and has developed a handbook that will enable swift delivery for future grants schemes.

Critical reflections

- 6.23 The operating environment of recent years has been exceptionally challenging, but we have learnt many lessons that will aid our future preparedness for emergencies. BEIS

has already put lessons learnt from Covid-19 delivery schemes into practice, most recently with our response to rising energy prices and the need to provide support to people quickly. We have recognised that in high pressure emergency situations, having the correct infrastructure in place to deliver a response is of paramount importance.

- 6.24 There were also important areas of learning for BEIS after its creation in 2016. This statement has been shared with my predecessors Sir Martin Donnelly and Alex Chisholm who have shared their reflections with me. I set out four key reflections below.
- 6.25 Firstly, the experience of the Department in dealing with economic shocks, such as in the steel and automotive industries, and in preparing and adapting for the many changes occasioned by EU Exit, helped build a flexibility and agility into the Department's capability, culture and operating model, which were undoubtedly helpful to the Department when it had to deal with the challenges of Covid-19.
- 6.26 Secondly, in retrospect it would have been valuable to have included business and economic impacts in the scenario for the pandemic exercises. Alternatively, it would have been useful to have held a separate exercise looking at the potential economic and business disruption of a pandemic as part of wider preparations. Such an exercise would have provided useful cross-government learning. While BEIS might usefully have suggested such an exercise, it would likely have needed to be convened by HMT and Cabinet Office as the lead departments, in order to ensure full cross Government participation.
- 6.27 Thirdly, in relation to counter fraud preparedness, I reflect that the counter fraud mechanisms in place in the period 2016-2020 needed to be updated in order to respond to the scale of the schemes delivered during the pandemic. Learning about the approach to counter fraud has been implemented following 2020, and this is reflected in the resourcing and arrangements for the current counter fraud function within BEIS as set out at section 4.
- 6.28 Finally, whilst the absence of consideration of economic impacts from HMG's pandemic preparedness was a weakness, it is worth noting that economic challenges can stem from a wide range of sources. Each specific event will have its own unique characteristics. For example, Covid-19 made hospitality venues particularly vulnerable, whilst our most recent energy crisis, caused by the Russian invasion of Ukraine, has been particularly difficult for high energy users.

- 6.29 Successful preparation is therefore in large part about having a 'toolkit' of interventions that can be used to support businesses of a range of types, sizes and locations and deployed quickly when an emergency arises. BEIS' experience of working through the potential consequences of a no deal EU exit – although not specifically designed to be a pandemic economic preparedness plan – meant that we did have a significant toolkit of relevant programmes to draw on, including foundational experience of developing programmes for both large and small businesses. This enabled the Department to pivot quickly to the delivery of the Covid-19 schemes. I recognise that the relevance of the EU exit work to Covid-19 was to an extent fortuitous, being the product of preparation for a different emergency situation, but note that it meant the Department had more relevant capability and operating model for a response.
- 6.30 Working through the pandemic has further strengthened this toolkit. For example, we built on our initial experience of delivering with Local Authorities on business grants for flood impacted areas, in order to deliver the nationwide Covid-19 grant schemes. We are now drawing further on this experience to support businesses with energy cost challenges.
- 6.31 Alongside our own implementation of necessary changes, my Department and I will continue to work with the Inquiry to provide it with all necessary assistance in its investigation of what happened, and in relation to its recommendations for the future.
- 6.32 Following the drafting of this statement but before final signature, there has been a further Machinery of Government change. On 7 February 2023, BEIS was dissolved and three new departments created. The new departments are: Department for Business and Trade, Department for Energy Security and Net Zero and the Department for Science, Innovation and Technology. To avoid complicating matters I have not amended the statement to reflect the recent change.

Statement of Truth

I believe that the facts stated in this witness 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.

Signed:

Personal Data

Dated: 5 April 2023

List of Annexes

Annex A – List of Acronyms

AMSCI	Advanced Manufacturing Supply Chain Initiative
ARACs	Audit and Risk Assurance Committees
BBB	British Business Bank
BCC	Business Continuity Coordinator
BEIS	Department for Business, Energy and Industrial Strategy
BERR	Department for Business, Enterprise and Regulatory Reform
BoE	Bank of England
BIS	Department for Business, Innovation and Skills
BIU	Business Intelligence Unit
CBILS	Coronavirus Business Interruption Loan Scheme
CCS	Civil Contingencies Secretariat
CED	Corporate Effectiveness Directorate
CIGA	Corporate Insolvency and Governance
CLBILS	Coronavirus Large Business Interruption Loan Scheme
CNC	Civil Nuclear Constabulary
CNI	Critical National Infrastructure
CO	Cabinet Office
COBR	Cabinet Office Briefing Rooms
COMAH	The Control of Major Accident Hazards Regulations 2015
CONOPS	Lead Government Department, Gold Command and Concept of Operations
CPNI	Centre for Protection of National Infrastructure
CRIP	Commonly Recognised Information Picture
CRU	Chemicals and Resilience Unit
CSWG	Communications Sector Working Group
DCMS	Department for Digital, Culture, Media and Sport
DECC	Department of Energy and Climate Change

DEFRA	Department for Environment, Food and Rural Affairs
DGs	Directors General
DGES	Downstream Gas and Electricity Sector
DH	Department of Health
DIUS	Department for Innovation, Universities and Skills
DLUHC	Department for Levelling Up, Housing and Communities
DTI	Department of Trade and Industry
DWP	Department for Work and Pensions
E3C	Energy Emergencies Executive Committee
EFG	Enterprise Finance Guarantee
EOC	Emergency Operations Centre
ER2	Energy Resilience and Emergency Response
ERCO	Emergency Response – Capabilities and Operations Team
ERG	Emergency Response Group
ERN	Eurozone Reservist Network
ERT	Emergency Response Team
ExCo	Executive Committee
GBI	Grant for Business Investment
GIAA	Government Internal Audit Agency
HMT	Her/His Majesty's Treasury
LC 11	Licence Condition 11
The Letwin Review	Letwin Resilience Risk Review
LGD	Lead Government Department
MAP	Management Action Plan
MHCLG	Ministry of Housing, Communities and Local Government
MOD	Ministry of Defence
MoG	Machinery of Government
NAO	National Audit Office

NCSC	National Cyber Security Centre
NDA	Nuclear Decommissioning Authority
NEAF	Nuclear Emergencies Arrangements Forum
NEP-DG&E	National Emergency Plan for Downstream Gas and Electricity
NEP-F	National Emergency Plan for Fuel
NIA	Nuclear Installations Act 1965
NRA	National Risk Assessment
NRR	National Risk Register
NRR	National Risk Register of Civil Emergencies
NSRA	National Security Risk Assessment
NSSP	Nuclear Site Security Plan
Ofcom	Office of Communications
Ofgem	Office of Gas and Electricity Markets
OGDs	Other Government Departments
ONR	The Office for Nuclear Regulation
PSG	Pandemic Steering Group
RGF	Regional Growth Fund
SAPs	Safety Assessment Principles
SCGs	Strategic Coordination Groups
SFLG	Small Firms Loan Guarantee
SIF	Strategic Investment Fund
SitReps	Situation Reports
SpOC	Space Operations Centre
UKGI	UK Government Investments
UKRI	UK Research and Innovation
UKSA	UK Space Agency
UPS	Universal Postal Service
VfM	Value for Money
WoW	Ways of Working

Annex B – List of Ministers and Permanent Secretaries
List of Ministers and Permanent Secretaries (2009 – March 2020)

Current titles used, as of January 2023.

Department for Business, Enterprise and Regulatory Reform (BERR)³⁹ (June 2007-June 2009)		
Name	Title	Date in Office
The Rt Hon the Lord Mandelson	Secretary of State for Business, Enterprise and Regulatory Reform	3 October 2008 – 5 June 2009
Baron Jones of Birmingham	Minister for Trade Promotion	4 July 2007 to 2 October 2008
The Rt Hon the Lord Drayson	combined Ministerial Post with MoD (Oversight over procurement)	2 July 2007 to 7 November 2007
The Rt Hon Pat McFadden MP	Employment Relations and Postal Affairs	2 July 2007 – June 2009
Gareth Thomas MP	Minister for Trade Policy / Parliamentary Under Secretary of State for Trade and Consumer Affairs	2 July 2007 – June 2009
Lord Davies of Abersoch	UK Trade and Investment also FCO	from 14 January 2009
Sir Ian McCartney	Trade and Industry	July 2007 to June 2009
The Rt Hon Dame Margaret Hodge	Minister of State for Industry and the Regions	5 May 2006 – 27 June 2007 to 29 June 2009
Baroness Vadera	Parliament Under Secretary of State (PUSS) for Competitiveness and Small Business	24 January 2008 – 9 June 2009
Lord Carter of Barnes	Minister for Communications, Technology and Broadcasting	3 October 2008 – 23 July 2009
Sir Brian Bender	Permanent Secretary	Until 27 March 2009
Sir Andrew Cahn	Acting Permanent Secretary & CEO UK Trade and Investment	2011
Sir Simon Fraser	Permanent Secretary	May 2009 – Aug 2010

Department of Energy and Climate Change (June 2009 – June 2016)		
Name	Title	Date in Office
The Rt Hon Edward Miliband MP	Secretary of State	2008 – 2010
Mike O'Brien	Minister of State	2008 – 2009
The Rt Hon Dame Joan Ruddock	Minister of State	2009 – 2010

³⁹ The Department for Business, Enterprise and Regulatory Reform (BERR) was created on 28 June 2007 on the disbanding of the [Department of Trade and Industry](#) (DTI), and was itself disbanded on 6 June 2009 on the creation of the [Department for Business, Innovation and Skills](#) (BIS).

Change in Government – from Labour to Conservative / Liberal Democrat Coalition		
Chris Huhne	Secretary of State for Energy and Climate Change	2010 – 2012
The Rt Hon Ed Davey MP	Secretary of State	2012 – 2015
The Rt Hon Amber Rudd	Secretary of State	2015 – 2016
The Rt Hon Charles Hendry	Minister of State for Energy	2010 – 2012
Gregory Baker	Minister of State for Climate Change	2010 – 2014
The Rt Hon Sir Michael Fallon	Minister of State	2013 – 2014
The Rt Hon Matthew Hancock MP	Minister of State	2014 – 2015
The Rt Hon Andrea Leadsom MP	Minister of State	2015 – 2016
Lord Marland	Parliamentary Under Secretary of State	2010 – 2012
Baroness Verma	Parliamentary Under Secretary of State	2012 – 2015
Lord Bourne of Aberystwyth	Parliamentary Under Secretary of State	2015 – 2016
The Rt Hon Sir John Hayes	Minister of State for Energy, Department of Energy and Climate Change	September 2012 – March 2013
Moirra Wallace	Permanent Secretary	Nov 2008 – Oct 2012
Phil Wynn Owen	Permanent Secretary	Nov 2012 – Jan 2013
Stephen Lovegrove	Permanent Secretary	Jan 2013- July 2016

Department for Business, Innovation and Skills⁴⁰ (June 2009 – June 2016)		
Name	Title	Date in Office
The Rt Hon the Lord Mandelson	Secretary of State for Business, Innovation and Skills	June 2009 – May 2010
Pat McFadden MP	Minister for Business, Innovation and Skills	June 2009 – May 2010
Kevin Brennan MP	Minister for Further Education, Skills, Apprenticeships and Consumer Affairs	June 2009 – May 2010
Lord Davies of Abersoch	Minister for Trade, Investment and Business	June 2009 – May 2010
The Rt Hon the Lord Drayson	Minister for Science and Innovation	June 2009 – May 2010
The Rt Hon Mr David Lammy MP	Minister for Higher Education and Intellectual Property	June 2009 – May 2010
The Rt Hon Dame Rosie Winterton	Minister for Regional Economic Development and Coordination	June 2009 – May 2010
Lord Carter of Barnes	Minister for Communications Technology and Broadcasting	June 2009 – May 2010
Ian Lucas	Minister for Business and Regulatory Reform	June 2009 – May 2010
Baroness Vadera	Minister for Economic Competitiveness, Small Business and Enterprise	June 2009 – May 2010
Lord Young of Norwood Green	Minister for Postal Affairs and Employment Relations	June 2009 – May 2010
Change in Government – from Labour to Conservative / Liberal Democrat Coalition		
The Rt Hon Dr Vincent Cable	Secretary of State for Business, Innovation and Skills	June 2010 – May 2015
The Rt Hon Edward Davey	Minister of State for Employment Relations and Postal Affairs	May 2010 – Feb 2012
The Rt Hon Greg Clark	Minister for Decentralisation and Cities (jointly with Department for Communities and Local Government until September 2012)	June 2010 – September 2012
	Minister of State for Cities and Constitution	July 2014 – May 2015
The Rt Hon the Lord Willetts	Minister of State for Universities and Science (attending Cabinet)	June 2010 – May 2015

⁴⁰ Created on 5 June 2009 by the merger of the [Department for Innovation, Universities and Skills](#) (DIUS) and the [Department for Business, Enterprise and Regulatory Reform](#) (BERR). It was disbanded on the creation of the [Department for Business, Energy and Industrial Strategy](#) on 14 July 2016.

Mark Prisk	Minister of State for Business and Enterprise	June 2010 – September 2012
The Rt Hon Matthew Hancock MP	Parliamentary Under Secretary of State for Skills (jointly with DfE)	September 2012 – July 2013
Lord Livingston of Parkhead	Minister of State for Trade and Investment	December 2013 – May 2015
The Rt Hon Sir Michael Fallon	Minister of State for Energy	September 2012 – July 2014
Lord Marland	Parliamentary Under Secretary of State for Intellectual Property	September 2012 – January 2013
The Rt Hon the Lord Maude of Horsham	Minister for Trade and Investment	May 2015 – July 2016
The Rt Hon Sir John Hayes	Minister for Trade and Investment – lead of FCO relations with British Business	May 2010 – September 2012
Lord Green of Hurstpierpoint	Minister of State for Trade and Investment	January 2011 – December 2013
The Rt Hon Sir Michael Fallon	Minister for Small Business Industry and Enterprise Minister of State for Business Enterprise jointly with DECC	2012 – 2014
The Rt Hon Norman Lamb	Minister for Employment Relations, Consumer and Postal Affairs	Feb 2012 – 2012
Baroness Wilcox of Newport	Parliamentary Under Secretary of State for Business Innovation and Skills (Intellectual Property)	2010 – 2012
Viscount Younger of Leckie	Parliamentary Under Secretary of State for Business, Innovation and Skills	September 2012 – 2014
Jo Swinson ⁴¹	Employment Relations and Consumer Affairs	September 2012 – June 2016
Lord Livingston of Parkhead	Minister of State for Trade and Investment, jointly with FCO	December 2012 – 2015
Lord Marland	Parliamentary Under Secretary of State for Intellectual Property	2013 – 2015
Nick Boles	Minister of State for Skills and Equalities	May 2015 – July 2016

⁴¹ Jenny Willott MP providing  cover for Jo Swinson in 2013.

George Freeman MP	Parliamentary Under Secretary of State for Skills and Equalities	May 2015 – July 2016
The Rt Hon Anna Soubry	Minister of State for Small Business, Industry and Enterprise	May 2015 – July 2016
Baron Vaizey of Didcot	Minister for Culture and the Digital Economy	May 2015 – July 2016
Baroness Neville-Rolfe	Minister for Intellectual Property	May 2015 – July 2016
The Rt Hon the Lord Johnson of Marylebone	Minister of State for Universities, Science, Research and Innovation	May 2015 – January 2018
Sir Martin Donnelly	Permanent Secretary	June 2009 – July 2016

Department for Business Energy and Industrial Strategy (2016 – present)		
The Rt Hon Greg Clark	Secretary of State	July 2016 – July 2019
The Rt Hon Andrea Leadsom	Secretary of State	July 2019 – February 2020
The Rt Hon Alok Sharma	Secretary of State	February 2020 – January 2021
The Rt Hon Nick Hurd	Minister of State for Climate Change and Industry	July 2016 – June 2017
Baroness Neville-Rolfe Lord Prior of Brampton	Minister of State for Energy and Intellectual Property	July 2016 – Dec 2016
	Parliamentary Under Secretary of State for Energy and Intellectual Property	Dec 2016 – June 2017
Margot James	Parliamentary Under Secretary of State Minister for Small Business, Consumers and Corporate Responsibility	July 2016 – January 2018
The Rt Hon Jesse Norman MP	Parliamentary Under Secretary of State Minister for Industry and Energy	July 2016 – June 2017
The Rt Hon Claire Perry	Minister of State for Climate Change and Industry	June 2017 – June 2018
The Rt Hon Claire Perry The Rt Hon Chris Skidmore MP (covering absence)	Minister of State for Energy and Clean Growth	January 2018 – July 2019 May-July 2019
Kelly Tolhurst MP	Parliamentary Under Secretary of State Minister for Small Business, Consumers and Corporate Responsibility	July 2018 – February 2020

Andrew Griffiths	Parliamentary Under Secretary of State Minister for Small Business, Consumers and Corporate Responsibility	January 2018 – July 2018
The Rt Hon Chris Skidmore MP	Minister of State for Universities, Science, Research and Innovation (jointly with education)	December 2018 – February 2020
Sam Gyimah	Minister of State for Higher Education	January 2018 – December 2018
Lord Harrington of Watford The Rt Hon Andrew Stephenson MP	Parliamentary Under Secretary of State Minister for Industry and Energy	June 2017 – January 2018
	Parliamentary Under Secretary of State Minister for Business and Industry	January 2018- March 2019 April–July 2019
Sir Jake Berry MP Lord Prior of Brampton The Rt Hon the Lord Henley	Parliamentary Under Secretary of State Minister for the Northern Powerhouse and Local Growth (jointly with Housing, Communities & Local Government)	June – July 2019
	Parliamentary Under Secretary of State	December 2016 – October 2017 October 2017 – July 2019
Lord Duncan of Springbank (jointly with Northern Ireland Office)	Parliamentary Under Secretary of State (Minister for Climate Change)	July 2019 – February 2020
Lord Callanan	Parliamentary Under Secretary of State (Minister for Business, Energy and Corporate Responsibility)	February 2020 – present
Alex Chisholm	Permanent Secretary	2016 – 2020
Sam Beckett	Acting Permanent Secretary	April 2020 – July 2020
Sarah Munby	Permanent Secretary	July 2020 – 7 February 2023

Annex C – List of SCS decision makers 2009-2020

Grade and titles are given where available.

Permanent Secretaries

Name		Job Title	Grade
Sir Martin	Donnelly	Permanent Secretary BIS (2010 – 2016)	SCS4
Alex	Chisholm	Permanent Secretary DECC (2016 – 2016) Permanent Secretary BEIS (2016 – 2020)	SCS4
Samantha	Beckett	Acting Permanent Secretary BEIS (April 2020 – July 2020)	SCS4
Sarah	Munby	Permanent Secretary (2020 – February 2023)	SCS4

BERR Officials 2009

Name		Job title or team (where known)	Grade
William	Rickett	Director General, Energy Group	SCS3
Mark	Gibson	Director General, Enterprise and Business	SCS3
Ian	Webster	Deputy Director, Head of Parliamentary Unit	SCS1
Hilary	Douglas	Director General, Operations	SCS3
John	Alty	Director General, Fair Markets Group	SCS3
Simon	Edmonds	Director, Business Relations 1	SCS2
David	Hendon	Director, Business Relations 2	SCS2
Adam	Jackson	Director, Enterprise Directorate	SCS2
Katrina	Reid	Director, Analysis	SCS2
Emma	Ward	Director, Enterprise Environment	SCS2
Tracy	Vegro	Director, Enterprise Strategy	SCS2
Janice	Munday	Director, Business Support Simplification Programme	SCS2
Martin Wyn	Griffith	Director, Service Transformation	SCS2
Philippa	Lloyd	Director, Regions	SCS2
Claire	Durkin	Director, Europe, International Trade and Development	SCS2
Julian	Farrel	Director, EU Economic Reform	SCS2
Peter	Dodd	Director, International Economists	SCS2
Pat	Sellers	Director, Services Directive	SCS2
Andrew	Van der Lem	Director, EU Strategy	SCS2
John	Doddrell	Director, Export Control Organisation	SCS2
Edward	Barker	Director, Trade Negotiation and Development	SCS2
Laurie	Lee	Director, Trade and Development	SCS2

Sarah	Chambers	Director, Consumer and Competition Policy	SCS2
Anne	Willcocks	Director, CCP Consumer Law Review	SCS2
Geoff	Dart	Director, Corporate Law and Governance	SCS2
Caroline	Normand	Director, Corporate Governance	SCS2
David	Tyrall	Director, Accountancy Advisor	SCS2
Richard	Leyland	Director, Accounting & Audit Policy, Companies Act Implementation	SCS2
Simon	Virley	Director, Head of Renewable Energy & Innovation Unit	SCS2
Rachel	Sandby – Thomas	Director General - The Solicitor and Director General, Legal Services Group	SCS3
Susanna	McGibbon	Director, Legal Services Directorate A Enforcement & Insolvency	SCS2
Stephen	Braviner Roman	Director, Legal Services Directorate B Business, Consumers & Employment	SCS2
Scott	Milligan	Director, Legal Services Directorate	SCS2
Vicky	Pryce	Chief Economic Adviser & Director General, Economics & Joint Head, Government Economic Service	SCS3
Ken	Warwick	Deputy Chief Economic Adviser and Director of Economics	SCS2
Brian	Collins	Chief Scientific Adviser	
Mark	Higson	Director, Nuclear Unit	SCS2
Helen	Carrier	Director, Risk and Regulation Advisory Council	SCS2
Peter	Davidson	Senior Innovation Adviser	
John	Edwards	Director General, Finance Group	SCS3
Nick	Payne	Director, Financial Central	SCS2
Zahir	Sachak	Director, Group Financial Management and Decision Support	SCS2
Richard	Carter	Deputy Director, Chemicals and Resilience Unit	SCS1

BIS Officials 2009 - 2016

Name		Job title or team (where known)	Grade
Philippa	Lloyd	Director General, People, Communications and Effectiveness	SCS3
Angie	Ridgwell	Director General, Corporate Effectiveness	SCS3
Rachel	Evans	Director, Corporate Effectiveness	SCS2
Philip	Rutnam	Director General, Business and Skills	SCS3
Emma	Ward	Director, Strategy	SCS2
Jaee	Samant	Director, Labour Market	SCS2
David	Wilson	Deputy Director, Policy and Strategy	SCS1
Greg	Chammings	Deputy Director, Ways of Working	SCS1
Polly	Payne	Director, Higher Education/Strategy & Growth	SCS2
Ruth	Hannant	Director, Higher Education/Strategy & Growth	SCS2
Susannah	Storey	Director, Royal Mail and Post Office	SCS2
Claire	Craig	Director, Universities	SCS2
Richard	Carter	Director, Corporate Law and Governance	SCS2
David	Tyrall	Deputy Director, Accounting and Audit	SCS1
Terra	Allas	Director General, Economics, Strategy and Better Regulation And Deputy Head, UK Government Economic Service	SCS3
Amanda	Rowlatt	Director General, Chief Economist	SCS3
Mark	Conaty	Director, Economics	SCS2
Emran	Mian	Director, Strategy and Growth	SCS2
Andrew	Rees	Deputy Director, Business Economics	SCS1
Ulrike	Hotopp	Deputy Director, Analytical Decision Support	SCS1
Paul	Crawford	Director, Economic Growth Analysis	SCS2
Tony	Pedrotti	Deputy Director, Regulatory Policy Committee	SCS1
Joanna	Donaldson	Director, Human Resources	SCS2
Chris	Hewitt	Deputy Director, People Strategy	SCS1
Janet	Champion	Deputy Director, Human Resources Operations and Commercial	SCS1
Kay	Birch	Deputy Director, Workforce Planning	SCS1
Howard	Orme	Director General, Finance, Commercial and Internal Audit	SCS3
Zahir	Sachak	Deputy Director, Group Finance for Corporate Group	SCS1
Ruth	Elliott	Deputy Director, Financial Reporting and Control	SCS1
David	Allen	Director, Finance	SCS2
Duncan	Tessier	Deputy Director, Financial Planning and Analysis	SCS1
Sam	Caughey	Deputy Director, Financial Planning and Analysis	SCS1
Charu	Gorasia	Director, Finance	SCS2

Swati	Khare-Zodgekar	Deputy Director, Group Finance and Commercial	SCS1
Tim	Jones	Deputy Director, Group Finance (People, Strategy, Knowledge and Innovation)	SCS1
Iain	King	Deputy Director, Group Finance (Business and Local Growth)	SCS1
Emma	Floyd	Deputy Director, Partner Organisations and Governance (Finance for the Future)	SCS1

DECC Officials 2009 – 2016

Name		Job title or team (where known)	Grade
Katrina	Williams	Director General, International, Science & Resilience	SCS3
Lee	McDonough	Director, Civil Nuclear & Resilience	SCS2
Richard	Westlake	Director, Civil Nuclear & Resilience	SCS2
Zilla	Bowell	Deputy Director, Civil Nuclear Security & Safety Assurance	SCS1
Rhiannon	Harries	Deputy Director, Non-Proliferation and Emergency Planning	SCS1
Sarah	Rhodes	Deputy Director, Energy Resilience	SCS1
Deborah	Petterson	Deputy Director, Cyber Security	SCS1
Simon	Virley	Director General, Energy Markets and Infrastructure	SCS3
Edmund	Hosker	Director, International, EU & Energy Resilience	SCS2
Jonathan	Brearley	Director, Energy Markets & Networks, Security of Supply	SCS2
Jo	Shanmugalingam	Director, Strategy	SCS2
Susannah	Storey	Director, Strategy	SCS2
Christina	Duncan	Director, People & Operations	SCS2
Jaspal	Roopra	Deputy Director, HR Business Partnering & Resourcing	SCS1
Simon	Elliston	Director, Finance & Commercial	SCS2
Mostaque	Ahmed	Deputy Director, Financial Strategy & Planning	SCS1
Mike	Blackburn	Director (Interim), Finance	SCS2
Vanessa	Howlinson	Director, Finance and Information Services	SCS2
Tracy	Barker	Head of Financial Control	SCS1
Chris	Hix	Head of Financial Accounting	SCS1
Angie	Ridgwell	Director General, Finance and Corporate Services Group	SCS3
Amanda	McFeeters	Director, Financial Management and Control	SCS2
James	McEwen	Head of Financial Strategy and Planning	SCS1
Jessie	Peramal	Head of Financial Reporting	SCS1

BEIS Officials 2016 – 2020

Name		Job title or team (where known)	Grade
Joanna	Whittington	Director General, Energy and Security Group	SCS3
Catherine	Bremner	Director, C19 Coordination Hub	SCS2
Ben	Golding	Director, C19 Coordination Hub	SCS2
Helen	Shirley-Quirk	Director, C19 Coordination Hub	SCS2
Emily	Bourne	Director, C19 Coordination/Emergency Response	SCS2
Beccy	Eggleton	Deputy Director, Chemicals & Critical Minerals	SCS1
Neil	Johnson	Director, Industry	SCS2
Angie	Ridgwell	Director General, Corporate Services – CFO	SCS3
Sarah	Harrison	Director General, Corporate Services – COO	SCS3
Doug	Watkins	Director General, Corporate Services – COO (On TP from SCS2)	SCS3
Freya	Guinness	Director General, Corporate Services – COO	SCS3
Tom	Taylor	Director, Corporate Services – CFO	SCS2
Helen	Shirley-Quirk	Director, Nuclear Protection	SCS2
Katrina	McLeay	Deputy Director, Nuclear Safety, Resilience and Regulation	SCS1
Vicky	Dawe	Director, Energy Development & Resilience	SCS2
Fiona	Mettam	Director, Energy Development & Resilience	SCS2
Mark	Prouse	Deputy Director, Energy Development & Resilience	SCS1
Helen	King	Deputy Director, International Strategy and National Security	SCS1
Beth	Sedgwick	Deputy Director, Covid-19 Co-ordination	SCS1
Greg	Chammings	Deputy Director, Estates and Shared Services Management team	SCS1
Jo	Shanmugalingam	Director General, Science, Innovation, and Growth	SCS3
Ashley	Ibbett	Director General, Trade, International, the Union and Analysis	SCS3
Mike	Keoghan	Acting Director General, Business Sectors	SCS3
Jaee	Samant	Director General, Market Frameworks	SCS3
Emma	Floyd	Director, C19 Programme Directorate; Compliance and Enforcement	SCS2
Jessica	Skilbeck	Director, C19 Programme Directorate; Local Authority Grants	SCS2

Rachel	Merelie	Director, Business Investment	SCS2
Angelina	Cannizzarro	Deputy Director, Analysis & International	SCS1
Gemma	Peck	Director, Business Growth	SCS2
Leah	Sparks	Deputy Director, Finance, Counter Fraud	SCS1
Laura	Higgins	Deputy Director, Counter Fraud	SCS1
Jane	Whewell	Deputy Director, Business Investment and Growth	SCS1
Tony	Pedrotti	Deputy Director, Business Grants & Investment	SCS1
Anastasia	Osbourne	Director, Business investment	SCS2
Jayne	McCann	Deputy Director, Business Investment and Resilience	SCS1
Georgina	Lake	Deputy Director, Business Investment and Resilience	SCS1
Simon	Elliston	Director, Finance and Commercial	SCS2
Sam	Walker	Deputy Director, Financial Planning and Analysis	SCS1
Robert	Shaw	Deputy Director, Finance and Corporate (Business Services)	SCS1
Alasdair	Grainger	Deputy Director, Commercial and Corporate Finance	SCS1
Sarah	Harrison	Director General, Corporate Services	SCS3
Gareth	Davies	Director General, Business Sectors	SCS3
Kim	Humberstone	Deputy Director, Finance	SCS1

Annex D – GIAA Audit Ratings

RAG rating	Auditor's definition
Green – Substantial	Framework of governance, risk management and control is adequate and effective.
Yellow – Moderate	Improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Amber – Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or become inadequate and ineffective.
Red – Unsatisfactory	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or its likely to fail.

Annex E – List of ExCo membership July 2016 – March 2017

The Executive Committee (ExCo) is chaired by the Permanent Secretary and brings together the Senior Leadership Team to support the Permanent Secretary in leading the Department as Accounting Officer. ExCo sets out the Department's vision, oversees the delivery of strategy with particular emphasis on corporate delivery and cross-cutting issues.

Committee attendance for the period 14 July 2016 to 31 March 2017⁴²

Committee Member	Role	Date served (where known)
Alex Chisholm	Permanent Secretary	
Gareth Davies	Director General, Business and Science	
Lucy Shannon	Non-Executive Member – Audit and Risk Committee	
Sam Beckett	Director General, Economics and Markets	
Clive Maxwell	Director General Energy and Transformation	
Jeremy Pocklington	Director General, Energy and Security	
Angie Ridgwell	Director General, Corporate Services	
Jaee Samant	Director General, Strategy, Growth, People and Legal	Appointed in January
Katrina Williams	Director General, International and Growth	
Professor Tim Dafforn	Chief Entrepreneurial Adviser	
Professor John Loughhead	Chief Scientific Adviser	

Committee attendance for the period April 2017 to 31 March 2018⁴³

Committee Member	Role	Date Served (where known)
Alex Chisholm	Permanent Secretary	
Gareth Davies	Director General, Business and Science	
Sam Beckett	Director General, EU Exit and Analysis	
Sarah Harrison	Director General, Corporate Services	
Jeremy Pocklington	Director General, Energy and Security	
Jaee Samant	Director General, Market Frameworks	
Professor John Loughhead	Chief Scientific Adviser	
Julian Critchlow	Director General, Energy Transformation and Clean Growth	
Nick Chism	Director General, Enterprise	
Tom Taylor	Chief Financial Officer	
Caleb Deeks	Director, Policy and Private Office	

⁴² [SM/67, BEISP00000735]

⁴³ [SM/68, BEISP00000737]

Angie Ridgwell	Director General, Corporate Services	Left Dec 2017
Clive Maxwell	Director General, Energy and Transformation	Left Nov 2017
Professor Tim Dafforn	Chief Entrepreneurial Adviser	Left Oct 2017

Committee attendance for the period April 2018 to 30 April 2019⁴⁴

Committee Member	Role	Date served (where known)
Alex Chisholm	Permanent Secretary	
Sam Beckett	Director General, EU Exit and Analysis	
Gareth Davies	Director General, Business and Science	
Nick Chism	Director General, Enterprise	Appointed 1 Jun 2018
Julian Critchlow	Director General, Energy Transformation and Clean Growth	Appointed 14 May 2018
Tom Taylor	Chief Financial Officer	
Sarah Harrison	Director General, Corporate Services	
Professor John Loughhead	Chief Scientific Adviser	
Jaee Samant	Director General, Market Frameworks	
Doug Watkins	Director, Human Resources	Appointed 1 Sep 2018
Joanna Whittington	Director General, Energy and Security	Appointed 8 Oct 2018
Gavin Lambert	Director of Advanced Manufacturing and acting Director General for Business Sectors	Appointed 15 April 2019
Sam Lister	Acting Director General for Industrial Strategy	Appointed 15 April 2019
Helen Shirley-Quirk	Director Consumer and Competition	From 29 Aug 2018 to 7 Oct 2018

Committee attendance for the period May 2019 – Apr 2020⁴⁵

Committee Member	Role	Date served (where known)
Alex Chisholm	Permanent Secretary	
Sam Beckett	Director General, EU Exit and Analysis	
Sarah Munby	Director General, Business Sectors	Appointed 15 Jul 2019
Julian Critchlow	Director General, Business and Science	
Nick Chism	Director General, Enterprise	To 5 Feb 2020

⁴⁴ [SM/69, BEISP00000739]

⁴⁵ [SM/70, BEISP00000754]

Julian Critchlow	Director General, Energy Transformation and Clean Growth	Appointed 14 May 2018
Tom Taylor	Chief Financial Officer	
Joanna Whittington	Director General, Energy and Security	
Sarah Harrison	Director General, Corporate Services	
Professor John Loughhead	Chief Scientific Adviser	
Jaee Samant	Director General, Market Frameworks	
Jo Shanmugalingam	Director General, Science, Innovation and Growth	Appointed 15 Jul 2019
Gavin Lambert	Interim Director General from 30 Apr to 18 Jul 2019	
Sam Lister	Interim Director General from 30 Apr to 18 Jul 2019	
Doug Watkins	Director, Human Resources and Interim Director General	
Craig Woodhouse	Director of Comms	Appointed 15 Jul 2019

Committee attendance for the period 1 April 2020 – 31 March 2021⁴⁶

Committee Member	Role	Date served (where known)
Alex Chisholm	Permanent Secretary	To 13 Apr 2020
Sam Beckett	Acting Permanent Secretary	From April 2020-July 2020
Sarah Munby	Permanent Secretary	From 20 July 2020 to 7 February 2023
Cath Bremmer	Interim Director General	Appointed 1 Mar 2021
Ben Golding	Interim Director General	Appointed 1 Mar 2021
Ashley Ibbett	Director General	Appointed 14 Apr 2020
Professor Paul Monks	Chief Scientific Adviser	Appointed 1 Oct 2020
Madelaine McTernan	Director General	Appointed 1 Jan 2021
Mike Keoghan	Director General and Chief Economic Adviser	Appointed 20 Jul 2020
Jaee Samant	Director, General Market Frameworks	
Jo Shanmugalingam	Director General, Science, Innovation and Growth	
Doug Watkins	Interim Director General for Corporate Services	Appointed 13 Jul 2020
Joanna Whittington	Director General, Energy and Security	
Simon Hulme	Director, Implementation and Delivery	Appointed 19 Oct 2020

Alice Hurrell	Director, Human Resources	Appointed 20 Jul 2020
Dan Micklethwaite	Director, Policy, Strategy & Private Office	
Tom Taylor	Director, Chief Financial Officer	
Craig Woodhouse	Director, Comms	
Sarah Harrison	Director General, Corporate Services	To 12 Jul 2020
Sam Beckett	Director General, Trade & Acting Permanent Secretary	To 8 Sep 2020
Professor Paul Monks	Chief Scientific Adviser	Appointed 1 Oct 2020
Nick Elliott	Executive and Board level Director	From 1 Jun 2020 – 31 Dec 2020
Julian Critchlow	Director General, Energy Transformation and Clean Growth	To 26 March 2021
Professor John Loughhead	Chief Scientific Adviser	To 30 Sep 2020

Annex F – BEIS and DLUHC Cities and Local Growth Unit grant programmes

The joint DLUHC and BEIS Cities and Local Growth Unit worked on delivering several different grant programmes prior to the pandemic (pre-2020), the value of which is in excess of £25bn. This included working on aspects of the governance arrangements, communications and delivery of the following programmes:

Programme	Mechanism	Funding Source	Lessons Learned
Regional Growth Fund (RGF)	Via CLGU	BEIS	Evaluation published [SM/72, BEISP00000769]
Local Growth Fund (LGF)	CLGU via allocation to LEP	DCLG (MHCLG), DfT, DfE, BEIS	Lessons learned after Growth Deal 1, used to inform GD2 & 3
Growing Places Fund	DLUHC (CLGU)	DCLG/DfT	
Local Enterprise Partnerships (LEP) Core Funding	DLUHC (CLGU) direct award	BEIS/DLUHC	LEP Reviews & NAO review
DA City and Growth Deals	HMT to DA as addition to the Block Grant; DLUHC direct grant to lead local authority for 1 Deal	HMT for 19 Deals; DLUHC, DfT, Defra for 1 Deal	Each DA considers lessons learned from the Deals they run, feeding learning into their next Deals. Some informal sharing more widely, but no useful documents to point to, largely due to the funding set up from HMT to DAs. I don't believe there has been collation of lessons learned or looking across the UK, although the CST commissioned stocktake DLUHC is coordinating at the moment is likely to capture some lessons learned (timeframes not yet set). For 19 SW&NI Deals the funding is directly from HMT Reserve to the DAs as an addition to the Block Grant; DLUHC has no role in this. For the Borderlands Deal, signed in March 2021, part of the UKG funding goes from HMT Reserve to the Scottish Govt, and funding for projects in England comes through S31 grant from DLUHC (or DfT / Defra if their projects are approved) to the local authority that is the accountable body.
Mayoral Combined Authority (MCA) Investment Funds	CLGU direct grants	Mostly DLUHC, (also BEIS and DfT)	Independent evaluation of impact of Investment Funds undertaken for each Deal on five yearly cycle. Lessons identified from first 10 Deals utilised for future evaluations.

Coastal Communities Fund (CCF)	DLUHC (CLGU)	BEIS / HMT Crown Estates	Yes evaluation conducted [SM/73, BEISP00000767]
UKSPF	DLUHC (CLGU)	DLUHC	
Town Deals + Future High Streets Fund (FHSF)	DLUHC (CLGU)	MHCLG	Towns utilised lessons from development and running of LGF
Enterprise Zones	CLGU	Capital Grant Fund - DCLG Local Infrastructure Fund - DCLG Pinch Point funding - DfT	[SM/74, BEISP00000773]
Growth Hubs	BEIS funding provided by BEIS via CLGU as a IDA Section 11 grant offer too 38 LEPs for their Growth Hubs	BEIS	Annual and Biannual reporting and annual review of Growth Hub performance, alongside M&E Framework. Also a BEIS funded external evaluation of the Growth Hub provision 2015 – 2020.
Getting Building Fund (GBF)	CLGU via LEP allocation	DLUHC	GBF utilised lessons from development and running of LGF

Annex G – List of Partner Organisations and Subsidiaries

Name	Category
Advisory, Conciliation and Arbitration Service	NDPB (non-departmental public bodies)
AEA Insurance Limited	Part of UKAEA (UK Atomic Energy Authority)
BBB Patient Capital Holdings Limited	Part of BBB (British Business Bank plc)
BIS (Postal Services Act 2011) Company Limited	Other non-ALB
BNFL Investments (US) Limited	Part of British Nuclear Fuels Limited
British Business Aspire Holdco Ltd	Part of BBB
British Business Bank plc (BBB)	Other Public Body not yet administratively classified
British Business Finance Ltd	Part of BBB
British Business Financial Services Ltd	Part of BBB
British Business Investments Ltd	Part of BBB
British Hallmarking Council	NDPB
British Nuclear Fuels Limited	Public Corporation
British Nuclear Group Ltd	Part of British Nuclear Fuels Limited
British Patient Capital Limited	Part of BBB
British Technology Investments Limited	Other non-ALB
Capital for Enterprise (GP) Limited	Part of BBB
Capital for Enterprise Fund Managers Limited	Part of BBB
Capital for Enterprise Limited	Part of BBB
Central Arbitration Committee	NDPB
Certification Office for Trade Union and Employers' Associations	Statutory Office holder
Civil Nuclear Police Authority	NDPB
Coal Authority	NDPB
Committee on Climate Change	NDPB
Committee on Fuel Poverty	NDPB

Committee on Radioactive Waste Management	NDPB
Companies House	Executive Agency
Competition and Markets Authority	Non-Ministerial Department
Competition Appeal Tribunal	NDPB
Competition Service	NDPB
Cornwall and Isles of Scilly Investments Limited	Other non-ALB
Council for Science and Technology	Expert Committee
<i>Daresbury Science & Innovation Campus Limited</i>	<i>Other non-ALB (Dissolved in 31 March 2020)</i>
Daresbury Science and Innovation Campus Public Sector Limited Liability Partnership	Other non-ALB
Diamond Light Source Limited	Other non-ALB
Direct Rail Services Limited	Part of NDA Group (Nuclear Decommissioning Authority)
Director of Labour Market Enforcement	Statutory Office holder
Dounreay Site Restoration Limited	NDA Site Licence company – managed by NDA
East Midlands Early Growth Fund Limited	Other non-ALB
Electricity Settlements Company Ltd	Other Public Body not yet administratively classified
Endorsement Board	Expert Committee
Enrichment Holdings Ltd (EHL)	Other non-ALB
Enrichment Investments Limited	Part of EHL
Fleetbank Funding Limited	Other non-ALB
Francis Crick Institute Ltd (Private Sector Company)	Joint Ventures
Government Office for Science	Office of the Department
Groceries Code Adjudicator	Statutory Office holder
Harwell Science and Innovation Campus Public Sector Limited Partnership	Other non-ALB
His Majesty's Land Registry	Non-Ministerial Department
Independent Complaints Reviewer	Supporting Land Registry

Industrial Development Advisory Board	Expert Committee
Innovate UK Loans Limited	Part of UKRI (United Kingdom Research and Innovation)
Insolvency Service	Executive Agency
Institut Laue-Langevin (A third-owned by UK and managed by UKRI)	Joint Ventures
Intellectual Property Office	Executive Agency
International Nuclear Services France SAS	Part of NDA Group
International Nuclear Services Japan KK	Part of NDA Group
International Nuclear Services Ltd	Public Corporation
Land Registration Rules Committee	Supporting Land Registry
LLW Repository Limited	NDA Site Licence company – managed by NDA
Low Carbon Contracts Company Ltd	Other Public Body not yet administratively classified
Low Pay Commission	NDPB
NW VCLF HF LLP	Other non-ALB
Magnox Limited	Part of NDA – Site Licence Company
Medical Research Council	Part of UKRI
Meteorological Office	Executive Agency
Midlands Engine Investments Limited	Other non-ALB
National Nuclear Laboratories Ltd	Public Corporation
National Physical Laboratory	Public Corporation
NDA Archives Limited	Part of NDA Group
NDA Properties Limited	Part of NDA Group
Northern Powerhouse Investments Limited	Other non-ALB
Nuclear Decommissioning Authority (NDA)	NDPB
Nuclear Liabilities Financing Assurance Board	Expert Committee
Nuclear Liabilities Fund Limited	Central Government but not ALB
	Other non-ALB
Office for Product Safety and Standards	Office of the Department

Office of Gas and Electricity Markets	Non-Ministerial Department
Office of Manpower Economics	Office of the Department
Office of the Regulator of Community Interest Companies	Statutory Office Holder
Pacific Nuclear Transport Limited	Public Corporation
Oil and Gas Authority	NDPB
Ordnance Survey	Public Corporation
Post Office Ltd	Public Corporation
Postal Services Holding Company Limited	Other non-ALB
Pubs Code Adjudicator	Statutory Office holder
Radioactive Waste Management Limited	Part of NDA Group
Regulatory Horizons Committee	Expert Committee
Regulatory Policy Committee	NDPB
Research Sites Restoration Limited	Part of NDA Group
Rutherford Indemnity Limited	Part of International Nuclear Services (Public Corporation)
Sellafield Limited	Part of NDA Group
Small Business Commissioner	NDPB
South Tees Site Company Limited	Central Government but not ALB
STFC Innovations Limited	Part of UKRI
The Copyright Tribunal	NDPB
The Financial Reporting Council Limited	Other Public Body not yet administratively classified
The NESTA Trust	Other non-ALB
<i>The Science and Technology Facilities Council (STFC)</i>	<i>Part of UKRI- (Dissolved in 30 March 2020)</i>
The Start-Up Loans Company	Part of BBB
UK Climate Investments Apollo Limited	Part of UKCI (UK Climate Investments LLP)
UK Climate Investments H1 Limited	Part of UKCI
UK Climate Investments Indigo Limited	Part of UKCI
UK Climate Investments Lakeside Limited	Part of UKCI
UK Climate Investments LLP (UKCI)	Other non-ALB

UK Climate Investments VC Limited	Part of UKCI
UK Green Infrastructure Platform Limited	Other non-ALB
UK Shared Business Services Limited	Other Public Body not yet administratively classified
UK Space Agency	Executive Agency
United Kingdom Atomic Energy Authority (UKAEA)	NDPB
United Kingdom Research and Innovation (UKRI)	NDPB
Urenco Limited	Associate

Annex H – List of Covid-19 evaluations

Evaluation / Reviews Underway	Next Estimated Milestone of Reviews/ Evaluation - liable to change	Published Outputs To Date
Local Authority Covid-19 Business Support Grants	Process Evaluation and Interim Impact Evaluation – Expected early 2023	None.
Trade Credit Reinsurance scheme (TCR)	Process Evaluation and Interim Impact Evaluation – Expected late 2022 / early 2023	None.
UKRI and BEIS – Research Stabilisation	Process Evaluation and Early Impact Evaluation – Expected late 2023	None.
UKRI – R&I support	Final Impact and Economic Evaluation – Expected late 2022 / early 2023	Process Evaluation [SM/75, BEISP00000762]
Debt Guarantee Schemes (CBILS, CLBILS, BBLs),	Year 2 Evaluation Report – Expected Spring/Summer 2023	Year 1 Report [SM/76, BEISP00000772]
Future Fund	Year 2 evaluation to be finalised by April 2023. Publication – expected Spring/Summer 2023.	Early Assessment Report [SM/77, BEISP00000789]
Safer Workplace Guidance	High Level Review – Expected Spring/Summer 2023	None.
Corporate Insolvency and Governance (CIGA)	Post Implementation Regulatory Review – Expected Summer 2023	Interim Report [SM/78, BEISP00000790]
Vaccine Task Force (VTF)	Timings still to be confirmed	None.
Innovate UK Continuity Grants	Final Impact Evaluation – Expected late 2023/Early 2024 (internal process evaluation work and	None.

	interim/baseline work has been completed but have not been published)	
Green Home Grants Vouchers	<p>Process Evaluation, Interim Outcome Evaluation and Economic Evaluation – Expected Late 2022/ Early 2023</p> <p>Final Outcome and Economic Evaluation – Late 2023</p>	None.
Local Authority Delivery Scheme	Final Evaluation Report – Expected Late 2023	None.
Public Sector Decarbonisation Fund	Final Evaluation Report – Expected 2024	None.
Social Housing Decarbonisation Fund Demonstrator	Evaluation – Expected Late 2022 / Early 2023	None.