

UK Covid-19 Public Inquiry

Financial Report to 30 June 2023

Overview

The UK Covid-19 Inquiry ('the Inquiry') is the independent public inquiry set up under the Inquiries Act 2005 to examine the UK's response to and impact of the Covid-19 pandemic, and learn lessons for the future. The Inquiry is Chaired by Baroness Heather Hallett. The Inquiry was formally established on 28 June 2022 when <u>UK COVID-19 Inquiry: terms of reference</u> were received from the Prime Minister.

The Inquiry was formally established on 28 June 2022, following an initial set-up phase. The set-up phase included the appointment of the Chair in December 2021 and a public consultation on the Inquiry's draft Terms of Reference in March and April 2022. The Inquiry's final Terms of Reference were received from the Prime Minister in June 2022 <u>UK COVID-19</u> <u>Inquiry: terms of reference</u>.

The information in this report sets out the expenditure for the UK Covid-19 Public Inquiry for April to June 2023 (Quarter 1 2023-24), as well as the cumulative position to date from the Inquiry's set up phase (before it was formally established). All figures are in £k and exclude VAT, where applicable.

The Inquiry's examination of the different aspects of the pandemic covered in the Terms of Reference is divided into investigations known as 'modules'. The modules of the Inquiry are announced and opened in sequence. Each module has preliminary and full evidential hearings, details of which are published by the Inquiry (<u>UK Covid-19 Inquiry Modules</u>).

Every Story Matters, the Inquiry's national listening exercise, provides an opportunity for people to tell the Inquiry about their experiences without the formality of giving evidence or attending a public hearing. These experiences will be collated, analysed and fed into the investigations via themed reports.

In order to perform its functions effectively, the Inquiry needs a number of operational and cross-cutting services. This includes emotional support and safeguarding services to minimise the risk of re-traumatisation for those engaging with the Inquiry. It also includes bespoke accommodation for public hearings and office accommodation for the Inquiry team.

Inquiry expenditure

The total expenditure for Quarter 1 (April to June 2023-24) is £14.718m. A breakdown is provided below.

All amounts in £k	Notes	Q1 23/24 £'000	Cumulative £'000
Chair	1	65	195
Legal Costs - Counsel and Solicitors	2	4,523	13,905
Legal Costs - Section 40	3	4,699	7,828
Inquiry Secretariat	4	1,701	5,244
Modules	5	350	794
Every Story Matters, Engagement and Commemoration	6	1,088	3,526
Operational and Cross-cutting Costs	7	2,120	5,645
Other	8	172	984
TOTAL		14,718	38,121

Notes

1. Chair

On 21 December 2021, the Prime Minister <u>appointed</u> The Right Honourable Baroness Heather Hallett DBE as Chair of the Inquiry. The letter of appointment can be found <u>here</u>. As a retired Appeal Court judge, the Chair is paid equivalent to a sitting Lady Justice of Appeal.

The table below shows a breakdown of remuneration and expenses for the Chair. Expenses include travel and subsistence.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Remuneration		
Chair	64	192
Expenses		
Chair	1	3
TOTAL	65	195

2. Legal Costs - Counsel and Solicitors

2.1 Counsel

As at 30 June 2023, the Inquiry had appointed 62 members of Counsel, including 12 King's Counsel and 50 Junior Counsel: not all of these worked concurrently or full-time.

All Counsel to the Inquiry are appointed under the authority of the Chair, who delegates responsibility for recruiting and agreeing terms of appointment with individuals to the Solicitor to the Inquiry.

2.2 Solicitors

The Inquiry has contracted Burges Salmon LLP to provide legal services including the Solicitor to the Inquiry. The Inquiry's solicitors are supported by a team of paralegals, responsible for reviewing the evidential material that is provided to the Inquiry.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Counsel to the Inquiry		
Solicitors to the Inquiry (inc Paralegals)	4,523	13,905
Other	-	-
TOTAL	4,523	13,905

3. Legal Costs - Section 40

At the discretion of the Chair, the Inquiry may provide funding for legal representation for Core Participants in accordance with the provisions of Section 40 of the Inquiries Act 2005. A Core Participant is a person, institution or organisation that has a specific interest in the issues covered by a module, and has a formal role defined by legislation. Section 40 payments for the first quarter of this year are £4.699m. The cumulative total Section 40 payments for the lifetime of the Inquiry, to June 2023, are £7.828m.

Applications for costs are controlled under the framework set out in the Inquiries Act 2005 and the Inquiry Rules 2006. The Prime Minister issued a <u>determination</u> setting out the parameters of the Section 40 awards the Chair may make (for example allowable hourly rates). The Inquiry has published a costs <u>protocol</u> which is relevant to applications for and consideration of awards under section 40.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Core Participants	4,699	7,828
TOTAL	4,699	7,828

4. Inquiry Secretariat

The Secretary to the Inquiry received remuneration within the annual Senior Civil Servant Pay band 2 range (£90,001 to £95,000). Expenses of £0.5k were recorded for this period.

The Inquiry Secretariat consists of 111 individuals who are employed as civil servants. The Secretariat includes teams working within Module teams and running hearings, leading Every Story Matters, running operational delivery functions such as information management and a paralegal function conducting evidence review.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Permanent staff costs	1,620	5,112
Contingent labour costs	81	132
TOTAL	1,701	5,244

5. Modules

5.1 Hearings costs

Hearing costs are those associated with holding preliminary and full public hearings for the Inquiry's legal proceedings in London, across the UK or remotely. These costs include, for example:

- technology services and IT infrastructure provided within the hearing room for broadcast and display of evidence and live streaming;
- IT costs of delivering remote hearings and connections where individual participants require remote access;

• translation and interpreter services for those whose first language is not English, including to comply with the Welsh Language Act.

5.2 Expert Advisers

An expert adviser is a person who is called to give an opinion to the Inquiry on matters which call for expert skills or knowledge. Their role is to provide technical analysis and expertise, which will assist the Inquiry in delivering its Terms of Reference. Expert advisers are appointed in consultation with the Lead Counsel and Solicitor to the Inquiry. Up to the end of June 2023, the Inquiry had appointed 21 experts across a range of disciplines.Inquiry expert costs are based on an agreed daily rate plus any pre-agreed support, team or materials they may require depending on the nature of their investigations. Payment is normally made following the public hearings at which their evidence is adduced.

5.3 Research

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Audio visual (including broadcasting and transcription)	305	611
Translation services	45	95
Research and experts	0	88
TOTAL	350	794

No external research has been commissioned in Q1 23/24.

6. Every Story Matters, Engagement and Commemoration

6.1 Every Story Matters

Every Story Matters costs are those associated with running the Inquiry's UK-wide listening exercise. They cover:

- Research and analysis of stories submitted to us
- The development and hosting of the online form that most people will use to share their stories
- Creation of Every Story Matters communications materials and buying space in media to raise awareness of the importance of Every Story Matters.
- Community listening events where people can come and find out more information and share their stories in person

• phone, accessible options and other ways of sharing that are not online - including British sign language, easy read and hard copy questionnaires.

6.2 Commemoration

Commemoration costs relate to commemorative content produced for use in hearings and at the Inquiry's Hearing Centre.

6.3 Consultation and engagement

Consultation and engagement costs are those costs incurred when engaging with people across the UK.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Every Story Matters Research	(53)*	513
Website and Every Story Matters Online form development	414	1,268
Communications materials	712	1,438
Commemoration	15	29
Travelling costs (staff and participants)	-	27
Consultation and Engagement	-	251
TOTAL	1,088	3,526

* arose from an invoice cancelled in 2023-24 that related to 2022-23

7. Operational and cross-cutting costs

Operational and cross-cutting costs cover services which are necessary for the Inquiry to perform its functions. These costs include:

- counselling and emotional support services provided for the emotional wellbeing of individuals participating in hearings, listening and commemoration activity and the Inquiry team;
- rent, service charges, facilities management, security and set-up costs for the Inquiry's hearing accommodation and office space;

- costs for the Inquiry's evidence management system and IT equipment;
- polling activity to determine public attitudes towards the Inquiry's work, testing the quality and understanding of some of the Inquiry's communications materials, and learning lessons from other Public Inquiries' communications;
- administrative costs such as stationery, postage, printing and office supplies.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Support and safeguarding	35	50
Accommodation	1,333	3,989
Evidence management system	692	1,125
Strategic communications	46	109
IT software and hardware	8	274
Telecoms - cross cutting	0	62
Administrative costs	3	10
Personnel costs (Recruitment costs and professional fees)	3	26
TOTAL	2,120	5,645

8. Other

Other costs cover services utilised by the Inquiry in supporting its functions. These costs include:

- the appointment of internal auditors to provide independent and expert scrutiny of its expenditure, accounting, risk and governance systems;
- the provision of training and development to Inquiry staff;
- staff travel and subsistence when needing to travel on Inquiry business;
- the provision of corporate and digital support services delivered by the Inquiry's sponsor department;

• other costs include catering and hospitality, miscellaneous expenditure, publications and subscriptions.

All amounts in £k	Q1 23/24 £'000	Cumulative £'000
Internal audit	0	28
Training and development	10	58
Staff travel and subsistence	15	71
Internal Recharges (Corporate and Digital)	147	811
Other	0	16
TOTAL	172	984

9. Basis for figures in this report

The Inquiry is an independent statutory Inquiry. This means it is not part of the Government nor is it run by any department.

The Cabinet Office sponsors the Inquiry and provides resources for the running of the Inquiry. A joint management statement <u>here</u> ensures clear roles and responsibilities are in place to safeguard the independence of the Inquiry, in accordance with the provisions of the Inquiries Act 2005 and the Inquiry Rules 2006.

All figures within this report are recorded on a resource accounting basis, with estimates for work completed utilised to calculate values where invoicing has not yet been received. Inquiry assets are not depreciated. Figures are audited by the National Audit Office as part of the sponsoring Department accounts (in this case those of the Cabinet Office).