

Witness name: Max Cairnduff

Statement No.: [1]

Exhibits: 84

Dated: 9 January 2025

**THE UNITED KINGDOM COVID 19 INQUIRY
FIRST WITNESS STATEMENT OF MAX CAIRNDUFF**

I, Max Cairnduff, will say as follows:

1. INTRODUCTION AND EXECUTIVE SUMMARY

- 1.1. I make this statement in response to the request from the Inquiry dated 4 July 2024 asking to address my role in regards to the procurement and distribution of key healthcare related equipment and supplies in the UK during the Covid-19 pandemic.
- 1.2. I have drafted this statement with the support of the Government Legal Department and counsel instructed by the Cabinet Office. In preparing this statement, I have had access to both my Cabinet Office inbox and the High Priority Lane inbox. However, due to the timescales set by the Inquiry, it was not possible to review these in their entirety. I am therefore reliant on the documents that have been brought to my attention by the legal team.
- 1.3. Moreover, due to the passage of time and the nature of my work at the relevant time, I do not have a clear recollection of all matters that the Inquiry has asked

about. I have attempted to answer the questions to the best of my knowledge, with the assistance of documents found by my legal team. If there is anything further the Inquiry would like me to consider, I would be happy to do so.

- 1.4. Also on 20 November 2024 I responded to a questionnaire sent by the Inquiry, to which this statement adds important contextual information. Although the questions stated that unless I was a caseworker I should not fill out the whole questionnaire, and although I was not technically a caseworker on the HPL, I did fill out the entire form. I should note that although the Inquiry is clearly interested as to whether there was pressure placed on HPL caseworkers, we were in a crisis and of course it was a high-pressure situation. There was pressure from ministers and others to ensure that the process was working properly. This was however not, in my understanding, pressure to get a particular outcome for any individual supplier.

2. PERSONAL BACKGROUND

- 2.1. I started my career working as an associate at Allen & Overy. In 2010 I took up a role at Freshfields Bruckhaus Deringer where I worked until 2018. In July 2018 I left law and joined the civil service working in the Government Commercial Organisation within the Cabinet Office as a commercial specialist within the Complex Transactions Team ('CTT'). In July 2019, I joined the senior management team within the CTT. On 1 April 2020, I was brought in to work on the PPE Buy Team Cell ('PPE Buy Cell') as the High Priority Lane and Donations lead at Deputy Director level (i.e. Senior Civil Servant 1). I was in this role throughout April until the start of May 2020 when John Brannan took over.
- 2.2. On 3 August 2020 I was promoted to Director level to lead the CTT, making me a senior commercial specialist.
- 2.3. In July 2023, I left the Cabinet Office to take up the role as the Chief Commercial Officer for the Department of Work and Pensions ('DWP').

3. TEAM STRUCTURE

- 3.1. The PPE Buy Cell was established at the beginning of the Covid-19 pandemic and was responsible for the procurement of PPE. The management and governance of the PPE Buy Cell lay with the Department for Health and Social care ('DHSC'). However, due to significant resource constraints put on DHSC at the beginning of the pandemic, Cabinet Office officials, including myself, volunteered to work within the team, given our commercial experience.
- 3.2. Andy Wood, who had also come across from the CTT, was the lead on the PPE Buy Cell and it was he who I formally reported through to. However, in reality the relationship between myself and Andy was a lot more fluid and I worked with him, rather than for him. We were of equal grades within the Civil Service. In turn, Andy reported to Jonathan Marron and Dr Emily Lawson (Chief Commercial Officer of NHSE/I) as joint leaders of this Supply Chain. I also had a reporting line to Janette Gibbs who was the acting Director of the CTT, given that I was still employed by the Cabinet Office, and was not DHSC staff. However, instructions in relation to the Buy Cell came from DHSC who always remained in charge.
- 3.3. Within the PPE Buy Cell there were around 8 individual work streams known as the Opportunities Teams. These teams handled opportunities from suppliers from different channels. One of these Opportunities Teams was the High Priority Lane ('HPL').
- 3.4. As the lead on the HPL team, I was in charge of the day to day running of it and had the authority to make any decision within that remit. When a decision was strategic with wider implications outside of the HPL / Donations space, I would escalate to the appropriate leader. When I joined the team, a senior external professional services consultant (Hannah Bolton) was leading on the HPL team and had 3 staff from DfE assisting (with one further part time) **[MC/1 - INQ000534688]**. At this time, Hannah and the DfE staff comprised the entire team. This remained my core team, with the three staff from DfE in fact working only part time on the HPL until 15 April 2020. For this period they were also sitting under a team leader within the general Opportunities route and taking on general non-HPL

cases. I also had a caseworker who provided administrative support as well as picking up cases, and Chris Hall worked briefly in this period as a caseworker, though he was taking on cases reflecting his seniority - I believe a total of 7 (including me). After 15 April the team grew to approximately 12 working on HPL cases (excluding donations), with administrative support, though some joined and left and others were occupied with other work as well as HPL. I describe this increase in the numbers of people on the HPL further below (see paragraph 7.31), but we were therefore a small team.

- 3.5. All supplier-facing individuals within the HPL team were experienced civil servants or consultants. I felt that it was paramount that those working in that capacity in my team were experienced, given:
 - 3.5.1. The unprecedented nature of the pandemic and the scale and pace of the public procurement challenges it presented.
 - 3.5.2. Being able to exercise commercial judgement (most likely at speed) in order to consider whether an offer was suitable to proceed to technical assurance.
 - 3.5.3. It was an outward facing role where we were dealing with numerous senior officials, Lords, MPs and potential suppliers in highly pressured circumstances. Often there was a need to manage expectations.
- 3.6. That said, not all were in fact Senior Civil Servants (in terms of civil service grade) - though such was the nature of our team and the work, that I did not generally know what grade they were. I did however remain able to absorb pressure that was being directed against the team, along with other more senior/core members of the team.

4. ESTABLISHMENT OF THE HPL

- 4.1. As set out at paragraph 3.4 above, what came to be called the HPL team was in fact established sometime in March 2020, prior to me starting in the Buy Cell Team. In fact, I was abroad in the latter part of March and by the time I returned some of my colleagues within the CTT had already moved to the Buy Cell Team. In the days leading up to my move, I was briefed in meetings by Andy and Janette, but I

cannot recall the exact details. When I began working on the HPL, I was taking over an existing, albeit new, team. I did not shape it from its inception. I therefore was not involved in the creation of what became the HPL, nor do I know where the idea for it came from.

- 4.2. In normal times, if I were taking over as leader of a team, I would ensure that I fully understood the remit of the team. However, given the immense pressure the team was facing, I had to hit the ground running and get on with the job. Nevertheless, my understanding was that its principal purpose was to deal with what I would call the “noise” being generated in the system from the involvement of certain referrers in PPE opportunities. Following the Secretary of State’s ‘call to arms’ whereby businesses were asked to use their procurement and manufacturing capabilities to assist with the production of PPE, a large number of would-be suppliers contacted their MPs, Ministers, senior officials etc. with their offers. These offers and enquiries would then be passed on to different individuals within the leadership team of the PPE Buy Cell. These referrers were highly likely to seek feedback or progress updates frequently and robustly. This was not unreasonable: they were keen to assist with the effort and wanted to ensure offers sent to them from their constituents and other suppliers would not be lost but were instead being followed-up.
- 4.3. I believe that this contact was largely well-meaning and that they were eager to support the UK-wide procurement effort, but I do not believe any of them would have understood the scale of the task or the diversion which was caused by multiple enquiries from them. They would not have had sight of how many other people were making such enquiries due to the scale of the response to the ‘call to arms.’
- 4.4. The HPL was therefore an Opportunities Team which dealt with the referrals from those sources, which were going to demand a higher level of contact and stakeholder management at the same time as the caseworkers were gathering the requisite information in order to take the decision of whether the opportunity was worthwhile and should be passed to Technical Assurance for the next stage of scrutiny.

- 4.5. I was also aware at the time that there was a belief that the contacts coming through the HPL would be of good quality and would lead to credible offers of PPE coming through in the otherwise chaotic market. As set out below, I was (and I think others were) sceptical of that at first, but later it proved to be true that a significant proportion did lead to fruitful contracts (though a lot were still rejected along the way).
- 4.6. The handover that I received from Hannah Bolton on 1 April 2020 informed me that what she called at the time the “VIP” process followed the same process as the “standard” process, but differed only in that she was being passed supplier offers from the offices of Gareth Rhys Williams, Emily Lawson, Jonathan Marron (working to Matt Hancock), Lord Agnew and Lord Bethell **[MC/2 - INQ000534685]**.
- 4.7. I have been shown for the purposes of making this statement copies of the morning slides circulated to the PPE team. These were circulated every morning at around 8am before the 8.30am call with Emily Lawson and the intra-Buy Cell call at 9:30am, and recorded the actions from the previous day’s meetings (although I did not often attend the calls). I note in particular that on 1 April 2020 the morning slides recorded from the Emily Lawson call on 31 March: “Flow chart requested for VIP offers. Hannah Bolton’s team to be bolstered.” **[MC/3 - INQ000534687 slide 3]**. This may well have been recording my recruitment to the team: I do not remember anyone else joining the HPL at the same time as me.
- 4.8. Upon joining, it became apparent to me that it was hard to keep track of emails from senior referrers as they were spread across several members of the HPL team’s personal inboxes. That same day I requested that a dedicated email address be set up, so that all correspondence from senior referrers could be in a central space. This was so that all correspondence went to one place in order to provide a centralised record of contact, as well as to support resilience in the event of unexpected absence on the part of a team member in order to prevent bottlenecks and / or loss of access if a team member was sick **[MC/4 – INQ000534686]**.

- 4.9. On 2 April 2020 the morning slides recorded (logging actions from the day before) that “communications with senior “VIPs” regarding offers was “time consuming and distracts Opportunities Team’s focus from good sources”. The action recorded was to use a mailbox [MC/5 - INQ000533339 slide 12]. This accords with my understanding of a key rationale for the management of VIPs at the time.
- 4.10. On 3 April the morning slides recorded as one risk that had been recognised “Could miss out on offers from suppliers that are offering large quantities but are unwilling to complete the survey”, and set out as mitigation: “Consider whether high priority mailbox is use as a place for high volume offers. Thresholds TBC”. The action was allocated to me [MC/6 - INQ000534691 slide 12]. This accords with my recollection at the time (and set out in in paragraph 5.6 below) that at this stage we were considering whether the mailbox should be used for high volume offers, though for the reasons set out below in fact we were not resourced to take such deals without become a bottleneck ourselves and so that idea was not formally taken up. It also accords with my recollection that some very sizeable suppliers at this stage were declining to use the survey but would seek to contact us directly through emails to senior referrers. Companies coming into the HPL at this time (such as those set out at paragraph 5.4 below) would often not be used to going through a webform survey to enter deals with government, and we wanted to pick them up. For example, Apple was directed to us regarding a potential donation of PPE [MC/7 - INQ000534697]. A company such as that would often expect to deal with high level government representatives, not insert their data into a webform. This is consistent therefore with a further rationale of the HPL: to make sure we were not losing out on credible offers.
- 4.11. As far as I am aware, the HPL approach was not based on any predecessor or international model, but was rather born out of the need to manage resources as effectively as possible. The benefit of this structure was that it made it much easier overall for the other opportunities teams. A separate team dedicated to handling opportunities that required greater stakeholder management meant other teams weren’t distracted by those stakeholders and could just get on with progressing the best offers. As the HPL team followed the same processes as other opportunities teams, credible offers were still handled in the same way as they would have been

in any other opportunities team (but with more reporting internal to government), while offers that lacked credibility could be declined in a way that would hopefully avoid them complaining to stakeholders who would then need someone to explain to them why that offer had been declined. The HPL team was that someone. I have reflected below on how it could have been done differently.

5. THE SCOPE OF THE HPL AND ITS DEVELOPMENT OVER APRIL 2020

- 5.1. As set out above, I joined the PPE Buy Cell Team as the lead on the HPL team on 1 April 2020 and received a handover from Hannah Bolton.
- 5.2. Before I joined the team, it was known as the “High Priority and VIP assessment” team [MC/8 - INQ000498242]. I renamed it the High Priority team (the phrase “High Priority Lane” did not in fact get used until later). I wrote to a civil servant in Gareth Rhys Williams’ office on 2 April 2020: *“I want to move people off the term VIP offers if I can - it gives the wrong impression. It's more about offers that come through sources we already know which somewhat reduces the risk that they're ill-conceived or fraudulent. For example one is from Neutrogena - it still needs checking but it's likely to be credible”* [MC/9 - INQ000534689]. I was aware however that we needed a name which sounded important and reassuring to the senior referrers who were to be made aware of it.
- 5.3. As set out in the paragraphs below, at this stage (very early April 2020) the criteria for entry onto the HPL were not yet fixed, but the name “High Priority” was subsequently used throughout the term of the team, though some people and documents continued to refer to VIPs, and indeed since it was so hard to shift I also referred to ‘VIPs’ on a number of occasions. The name “High Priority” did not accurately describe all referrals that we dealt with - to the contrary, many were prioritised low by our team, in accordance with the prioritisation set out below at paragraph 6.4 - but as above we were aware that the name provided reassurance to senior referrers that their referrals were being dealt with with care, and it was useful for that purpose.

- 5.4. Just as not all referrals were in fact 'high priority', not all the suppliers that we were working with were particularly 'VIP', in that some were big companies and others much smaller. The big ones included companies such as Amazon, Apple, Bunzl, Unispace and Unilever. Even companies that were not household names in the United Kingdom might be significant, such as Nine United, who are a very large Swedish company. There were however a number of smaller companies which happened to have access to PPE because of their connections in China.
- 5.5. The suppliers that were being referred to the team were often not in fact known personally by any MP or senior referrer: they had simply sent the MP an email offering the goods which the MP's office had forwarded on to us (though we would not always be able to tell). It must be remembered that at this stage the system was new and therefore chaotic and those who were in a position to sell PPE were often trying to flag this to government at the highest level. Further, there were some individuals such as Lord Feldman who had been tasked as an envoy to identify potential suppliers and who was providing links to companies such as Boots, Bunzl, Unilever, and Amazon [MC/10 [INQ000561530]. These were however all offers which were coming through senior referrers' mailboxes, so fulfilled the criteria for my team. I have discussed the overall breakdown of the type of referrers who came to us at paragraph 5.15 below.
- 5.6. There was some discussion by email over the first days of my work in the PPE Buy Cell as to the precise scope of the HPL. Initially my understanding was that the HPL was not for offers that seemed more reliable or met specific specifications, volumes or price per se. Instead, it was set up to deal with referrals from specific sources, which were going to demand a higher level of contact and stakeholder management, though these might be better offers on average than those coming through the portal, and so more likely to be pursued in their own right. This contact and management was required at the same time that the caseworkers were gathering the requisite information in order to take the decision of whether the opportunity was worthwhile and should be passed to Technical Assurance for the next stage of scrutiny [MC/2 - INQ000534685]. There were discussions between me and colleagues between 2 April and 6 April as to whether the HPL should take on offers from suppliers which were particularly large as well as those from senior

referrers. Ultimately, by 6 April, my view was that the HPL was not resourced sufficiently to be able to deal with such offers, and was struggling to keep up with the offers it had. If it had to deal with such offers as well it would in fact slow down the process. A reliable high volume source that came through the survey was to be processed on the normal route but with a priority tag to ensure that it was picked up **[MC/11 - INQ000533344]**. That did not prevent however other team members within the Buy Cell sending on offers which they thought should be treated as a priority **[MC/12 - INQ000528207]**. We would often process these offers within the HPL because to not do so would inject delay into the process (they would simply have to start the process again).

- 5.7. On 6 April 2020, six days into the role, I sent an email to a number of civil servants¹ and the private offices of Lord Bethell, Michael Gove and Lord Agnew clarifying the routes to make referrals. Within this email I set out the HPL email address, noting it was to be used for PPE offers that were a personal recommendation from or contact of a minister or senior official **[MC/13 - INQ000498249]**. From this point, I understand that private offices and others circulated the HPL email address more widely and I lost sight of who it had been passed on to (see in particular paragraph 7.34 below).
- 5.8. I sent out a further email restating the routes on 9 April 2020 **[MC/14 - INQ000534699]**. In this email I stated *"If the PPE offer comes from a minister or senior official's office it should be referred to covid-ppe-priority-appraisals@cabinetoffice.gov.uk. An offer from a Google or Rolls-Royce or similar, or a major intergovernmental donation, would also go into that mailbox. PPE offers through other sources should go to the survey for triage: <https://www.gov.uk/coronavirus-support-from-business>. That includes highly credible offers of large volumes of kit, which then get allocated as priority to whoever can best progress them."* I understood that such highly credible offers were being prioritised within the general Opportunities route in accordance with the process set out at paragraph 6.4 below.

¹ these included Gareth Rhys Williams' chiefs of staff, Stephen Oldfield - Chief Commercial Officer at DHSC, and those working with Lord Feldman in his office.

- 5.9. Although in my emails above I stipulated that the HPL was for ministers or senior officials, ultimately there were no exhaustive criteria as to who qualified in using the HPL. It was a judgement call made by myself and the team based on who we felt would require a higher level of feedback / management.
- 5.10. The HPL was therefore an Opportunities Team which principally dealt with the referrals from those sources which were going to demand a higher level of contact and stakeholder management [MC/11 - INQ000533344]. This contact and management was required at the same time that the caseworkers were gathering the requisite information in order to take the decision of whether the opportunity was worthwhile and should be passed to Technical Assurance for the next stage of scrutiny.
- 5.11. In reality, however, as set out above, there remained a lack of clarity on the part of some referrers as to who would be referred onto the HPL. I note a presentation from NHSE&I dated 5 April 2020 which stated that VIP means “*processing of high priority and high volume opportunities — the VIP process has been expanded to enable urgent orders to be processed if the opportunity is significant and the right quality*”. I was not involved in drafting this document and although this may reflect the views of the author it was not my position at the time that the HPL process was for urgent orders. As set out above, this may have been drafted when there was correspondence about increasing the scope of the HPL (see para 4.10 above), but this never happened. It was also the case, as set out above at para 5.2, that the description provided reassurance to senior referrers about the progress of their offers.
- 5.12. I have also been made aware of a document described as an E2E process map (End to End) [MC/15 - INQ000534702]. This document set out as one of the principles of the Buy Cell that “opportunities from high profile people require an expedited response” and stated “support provided from high profile people, require a rapid response and managing through the process. Therefore are managed through the High Priority Appraisals Team (formerly VIP)”. I understand that this document was sent by Barry Hooper, whose role was Programme Director at DHSC & NHSE&I Supply Cell, to Lord Agnew, Gareth Rhys Williams, Emily

Lawson, Steve Oldfield on 12 April 2020. As noted in paragraph 5.11 above, there were a range of views at this time as to what each team's precise role was, in large part as the roles were then being determined. As the official who took leadership of the team I applied the reasoning and role for the team I have described above (at paragraphs 5.7 and 5.8). This document (at page 20) also sets out the "Line for replying to emails linked to a Senior Industry Leader/Minister/Lord/Baroness/Earl etc and Multinational Corporation", and states that the recipient should direct them to the HPL email address. I understand that this description of who should be directed to the HPL was first included in a process map dated 26 March 2020, so before I joined the PPE Buy Cell **[MC/16 - INQ000534684]** and was sent to me. Again, this is guidance written by others for others outside of the HPL, and I do not think that this list of potential referrers was exhaustive (as indeed is signified by the 'etc.') A fuller description of what was meant by senior referrers at the time was set out in my email of 6 April and included recommendations from ministers and senior officials.

- 5.13. I do note, however, that the document sets out the process diagrams for 'Opportunities' and 'High Priority Appraisals' at internal pages 12-14. That diagram shows that the same process was being followed by both the High Priority team and general Opportunities team, save that high priority appraisals were being tracked, and they were reaching the initial two teams by a different route. Therefore, (for example) the general Opportunities team was, like us, contacting the supplier to discuss how they could meet specifications. That description accords with my recollection.
- 5.14. In reality, despite the efforts to define the scope of the HPL, it continued to receive referrals which I had not initially envisaged for it. As I had anticipated in my email correspondence between 2 and 6 April 2020 (described in paragraph 5.6 above), this put pressure on our resources and significantly slowed our processing of orders. Steps continued to be taken throughout April 2020 to manage its scope. I have discussed this further below, including at paragraphs 7.34 - 8.
- 5.15. Although we did take steps to ensure that the remit of the HPL was restricted in a way that was proportionate to its size, we did receive a large number of referrals

from officials and ministers/Lords involved in the healthcare response. I am aware of the Cabinet Office's spreadsheet of 416 HPL offers and their referrers, though I did not create it [MC/17 - INQ000533269]. I understand that in about a quarter of the cases no referrer has been identified. I further understand that of the rest about a half are referred by officials (usually in the NHS, DHSC, FCO or other overseas procurement), and a further 60 are from Matt Hancock MP, Lord Feldman, Lord Agnew, or Lord Deighton or their offices. About one sixth are from other MPs or members of the House of Lords, including the Chancellor of the Duchy of Lancaster, Lord Bethell and others. This kind of ratio between offers from officials, those ministers involved in the healthcare response, and others accords with my recollection of the kind of cases we were dealing with. Though in some cases there was an obvious connection to the Conservative party, in my view that was simply because the Conservatives were the party in government at the time and many members of the Conservative party were also members of the government). We were not however motivated by party membership (and Conservative party membership was not by itself sufficient reason to be dealt with by our team) - we simply wanted to get as much PPE as efficiently as possible.

6. OFFERS ON THE HPL AND THEIR RELATIONSHIP WITH THE GENERAL OPPORTUNITIES ROUTE

- 6.1. A contemporaneous description of some of the offers that were coming to us can be seen in an email I sent to Rob Nixon on 5 April 2020 "Basically most of the offers we get are exploding ones - agree by Monday or it goes (almost everything today has had that deadline, some earlier). They're often high volume and often from very reputable sources. They're also often cash up front which is potentially very risky if there are then any issues. The other difficulty is that on probing they don't always have the supplies ready to go (often it's more a connection that doesn't really pan out) and when they do they're often not to the required spec." [MC/18 - INQ000534694]. These were therefore deals which were difficult to handle. 'Reputable sources' included large companies such as those cited above.

- 6.2. Although I thought (as set out in my email of 2 April 2020, cited at paragraph 5.2 above) that the fact that an offer had been referred in by a senior referrer reduced somewhat the risk that it was ill-conceived or fraudulent (since in practice referrers such as Lord Feldman were often in contact with individuals or organisations that they knew to be genuine and serious), it did not remove that risk. Further, so far as I was ever aware, it was not originally an intended purpose of the HPL to act as any sort of quality filter for offers coming into the PPE Cell (that is, to only take the good offers), although that was one of the effects it had in that I would have anticipated that some referrers at least considered whether the offer had any merit (i.e. was comprehensible and for potentially appropriate product). However, I know other people (many of whom were Senior Referrers in any event) did form a view that the purpose of the HPL was also to take forward particularly high quality or high priority offers and, as a result, many of those people forwarded what they considered to be high value offers to us. As a result the (to me, somewhat unexpected) result was that we were sent a number of significant offers, with other good offers coming from ministers and senior officials. My personal expectation had been that the most credible offers would come from, for example, the PPE Cell's China Team, and I had almost expected us to be akin to sewage workers, clearing noise out of the system. Once we realised that some of it was pretty good my confidence in the HPL increased and we tried to pick those cases up quickly.
- 6.3. That said, I was aware that the Buy Cell was trying to pick all good cases up rapidly. As set out in **[MC/19 - INQ000534690]**, I was aware of the triage system for cases coming in through the survey/webform at this time (though many offers came directly to us and not via the survey). In that email dated 3 April 2020, I stated that *"the default is unless they come from a ministerial office they go to the survey form, which feeds them into a triage team"* **[MC/19 - INQ000534690]** which is referring to the fact that many did not come through the survey before coming to us, but the ones that did go through the triage were prioritised separately.
- 6.4. I was provided with a list of how offers were to be triaged and prioritised in an email on 2 April 2020 **[MC/20 - INQ000533334]**. That email set out which suppliers offering volumes of what products were to be treated as high priority – meaning that they would be prioritised in the system. This was different to the "high priority

team” which I was in charge of (I remarked separately that this was a “coincidence of naming”) [MC/21 - INQ000533249]. This list applied to the general opportunities route and to us, so that we likewise triaged and prioritised high value offers with priority products on the HPL: that is to say, of the offers that were allocated to them, HPL caseworkers also would first pursue those that were of priority products, with high volumes and lead times. This list did not mean that offers on the HPL would be prioritised over non-HPL offers, since they were already in two different cohorts (VIP offers went to the HPL so were with a separate team to non-VIP offers) - for our purposes, the designation of VIP came to relate to a flag which we would use for tracking, so that we could report back on the progress of offers to referrers. The fact that an offer had been flagged or labelled VIP in that it came from our team did not lead to it being prioritised by the Technical Assurance team or others. As [Name Redacted] who led the Technical Assurance team, said on 9 April 2020 “Can you put VIP in the SUBJECT title to make sure we can see the nature of the submission – this will not increase priority as I do not worry about hurting a VIP feelings that is for you guys to manage” [MC/22 - INQ000498255]

- 6.5. From the beginning it was my understanding that cases on the general non-HPL route were being triaged on the survey in this way. I believed that this would allow good offers to be picked up quickly via the survey. I was aware that the survey route was not always working as well as it might [MC/23 - INQ000561942] but did not think that the HPL was always quicker. I wrote to Rob Nixon (whose role was in strategy) on 4 April 2020 “The reason I mentioned the triage survey before is because we’re not always the fastest route. My team is fairly small and tends to be dealing with the politically sensitive ones so there’s not yet huge bandwidth (I’m bringing on extra resource but don’t have it yet). I didn’t want us to be the source of delay” [MC/24 - INQ000534693]. Though the team structure charts were not always accurate, since the situation moved quickly, a team structure chart by 9 April 2020 had 55 caseworkers (including team leads and the three part time VIP team members) allocated to the non-HPL route, many times the size of our team [MC/25 - INQ000391410].
- 6.6. An early example of the handling of ‘noise’ within the system which was forwarded to me as an example of “VIP management” is an email relating to an offer which

Michael Gove and Lord Agnew had both forwarded on and asked to be kept informed of. The email included a draft response to CDL and Lord Agnew setting out a number of reasons why the offer was to be refused **[MC/26 - MCA_INQ000534941]**. I dealt with further correspondence relating to this offer, this time following chasing from the Labour Lords Front Bench, on 14 April 2020 **[MC/27 - INQ000534704]**. There was yet further correspondence with threats to go to the press on 15 April 2020 **[MC/28 - INQ000534705]**. As another example, on 4 April I responded myself to the private office of Michael Gove in relation to an offer from David Meller, where I explained that although there might be pressure to act it was essential to check the deal, and noted that although some individuals had identified themselves as ministerial contacts their offers were not genuine (though, as I said in the email, that was not to suggest that Mr Meller was one such) **[MC/29 - INQ000534695]**.

- 6.7. It is my recollection that most offers at the early stage came in from government ministers, though it was not always clear where offers came in from. We were also tasked to work with other sources such as Unite, the trade union **[MC/30 - INQ000534692]**. As time went on and the mailbox address was more widely shared we got offers from more disparate sources and more were low quality offers. Again, I explain how that affected our backlog below, for example in paragraph 7.34.

Donations

- 6.8. The other main area of my work at this time was handling donations. During the early stages of the pandemic there were a lot of businesses that wanted to donate PPE. Donations were required to be unconditional offers of PPE and still had to meet the required specifications. They were handled like any other offer albeit they did not go to the closing team. Donations had the potential to be sensitive (particularly if declined on quality grounds) and thus require special handling. Therefore it made sense that they were handled by the same team.

7. THE HPL'S PROCESSES

- 7.1. Within the PPE Buy Cell, there were four routes by which an offer could be initiated. These were:
- 7.1.1. Through the online Portal: this was the most common route, whereby a potential supplier would make an offer by completing the online questionnaire.² This questionnaire would then be picked up by the relevant team within the PPE Buy Cell.
 - 7.1.2. Through existing suppliers.
 - 7.1.3. Through the 'China Buy' team, who reached out directly to Chinese factories. This was largely handled by colleagues within the Foreign Commonwealth Office and the Department for International Trade within the PPE Buy Cell.
 - 7.1.4. Through senior referrers who sent offers to the dedicated HPL inbox.
- 7.2. Once an offer had been received in the PPE Buy Cell Team (through one of the four routes), this would be picked up by one of the team members and they would then obtain the requisite information needed, through a series of phone calls and emails. This process might vary depending on the route that had initially been used: offers that had come in through the survey might have more information with them than offers that had come in via email, so require less correspondence with the supplier. In the beginning, I cannot recall any guidance or criteria used by caseworkers as to when an offer should be progressed or not, it was a matter of exercising commercial judgement. However, opportunities which were not credible were not pursued. In order to determine if something was credible there were a range of factors we took into consideration, but it was a low threshold given that other teams (such as closing and technical assurance) would carry out more thorough checks. This low threshold included (but were not limited to) such things as whether it appeared the supplier had a sense of what they were talking about; were the documents in English so that they could be read; did the documentation all line up? The intent was to ensure that opportunities which had no reasonable prospect of progressing were not passed on to technical assurance and closing which had limited resources.

² The Portal was on the gov.uk website. It was set up in March 2020, prior to my arrival to the Buy Cell Team.

- 7.3. If a member of the Buy Cell Team did think an offer was credible, this was passed on to Technical Assurance (as from the other Opportunities Teams). This, and all subsequent steps were independent of the HPL, but Senior Referrers would frequently still ask HPL for updates, in which case the caseworker would try to obtain an update from the relevant person outside of HPL. Opportunities were marked as “VIP” to make this process of seeking updates work more efficiently and minimise the diversion caused by such update requests. A pack of information would be produced which was sent to DHSC for final scrutiny, and only the Accounting Officer had the authority to give an offer final approval. Typically the HPL would not in fact know which offers it had progressed to Technical Assurance had actually resulted in contracts being awarded.
- 7.4. Our caseworker would gather as much information as the supplier was able to provide (and if it looked to our caseworker as though it was a viable opportunity), before it was passed to the Technical Assurance team. Even if it were known that the offer was time-pressured (or the subject of attention from senior referrers), there would be no point in referring something to Technical Assurance before sufficient information had been obtained, since Technical Assurance would simply reject it.
- 7.5. The basic route for sending cases to Technical Assurance was however set out in an email I circulated on 9 April 2020 **[MC/31 - INQ000534700]**, which was slightly amended on 13 April 2020 **[MC/32 - INQ000534703]**. Under this route we were to include a reference (“VIP”) and then the identifier of the caseholder, and a ‘drop dead’ time for a reply. This last was to identify and act swiftly in those cases which had an ‘exploding deadline’ after which the products would be sold elsewhere. As mentioned at paragraph 6.4 above, in correspondence with the head of Technical Assurance on the same day (9 April 2020), he had noted that the VIP signifier would not in itself lead to prioritisation, and I had also reiterated that we would not bring forward the drop dead time for a reply on the basis that they were a VIP (to the contrary, my team was encouraged to frankly challenge any such tight deadlines, though it was hard to tell which ones were genuinely a dead stop and which were more flexible **[MC/33 - INQ000534701]**).

- 7.6. On 17 April 2020 I was informed by Hannah Bolton about a dedicated Technical Assurance resource for the HPL which had been set up **[MC/34 - INQ000534708]**, led by Steve McIntyre. I do not believe that we asked for this - it was the result of restructuring by Technical Assurance and Hannah only found out when making general enquiries about the structure, as she said in her email. In contacting Technical Assurance we continued to use the DESEngSfty-QSEPCOVID19@mod.gov.uk email address which was the general address for the Technical Assurance team as given out to all caseworkers on the Opportunities team, on the HPL and non-HPL **[MC/35 - INQ000534715]**, but from mid-April we might put FAO Steve (or one of his team members) in the email subject heading or at the start of the email text. My emails have been reviewed and I believe that I sent only a handful of emails to this address for the attention of Steve **[MC/36 - INQ000533987]**; **[MC/37 - INQ000534711]**; **[MC/38 - INQ000534714]** and I have discussed some below at 7.21. This email address continued to be used by HPL caseworkers who were chasing for information - see for example John Brannan, who contacted the address on 22 April and twice on 24 April 2020 with urgent requests for review of a donation from the French Embassy **[MC/39 - INQ000534719]**.
- 7.7. I was provided with team structures periodically through this period and although they were not always wholly accurate as the situation moved quickly, I have been shown and note the team structure for 6 May 2020 **[MC/40 - INQ000534738]**, which identifies on slide 13 Steven McIntyre as being 'VIP'. There were also cells dealing with 'China' and 'Make' which I believe shows that they were likewise allocated to deal with those buying routes. The remainder of the Technical Assurance caseworkers are labelled 'Opps' and I would anticipate that they were dealing with general opportunities cases. I have been shown when preparing for this statement (though did not receive at the time) an email from a caseworker who was allocated in the China Buy team writing an email to Technical Assurance addressing it to **Name Redacted** and **Name Redacted** the latter being the person marked on the Team structure as being the Technical Assurance caseworker for China. That would show the China Buy team apparently using the same method as me. I note that the team structure for 20 April 2020 does not have such teams and Steve is not marked on there as VIP **[MC/41 - INQ000534716]**.

7.8. I was not aware of any suggestion that the contact in Technical Assurance was there to process HPL offers more swiftly than the rest of the team were processing other offers, rather than being an administrative convenience so that my team knew who to contact. As above I would assume that many more people in Technical Assurance were working with the other streams. None of my team had any influence over whether or not an offer progressed past the Technical Assurance phase, though on occasion they would check whether a deal that they had been working on had got 'stuck' in the process. I do not think that I was informed at the time of any methodology by which Technical Assurance approached the offers that came through to them. As set out below at paragraph 7.16, my understanding was that the Technical Assurance team would not be prioritising any deal just because it came from a senior source – indeed, that had been made quite forcefully clear to me by Name Redacted from that team.

7.9. I am aware that Technical Assurance applied a principle that they would not consider cases that were more than 2 weeks old. I do not know when this began. I understood this principle to have been adopted because in the overheated market that we were in, if an offer was genuine it would normally be picked up by another purchaser (i.e. country) swiftly, if we had not got to it first. In other words, if Technical Assurance did not deal with the offer swiftly enough, then the supplier would just go ahead and sell their product to someone else. Those offers which could not be sold on within two weeks often were of low quality or suspect in other ways. So it was at most us who lost out if we could not get back to them swiftly enough before it was sold on (though if we were instead buying from another supplier, we had not lost out at all). Whether this policy disproportionately impacted cases on the HPL or non-HPL may depend on whether cases were going more slowly on either lane (and I have explained below all the reasons why cases on the HPL were often slow), but some individual cases on each lane will have been quick and other slow (largely depending on how swiftly they got through Technical Assurance), and I would anticipate that the variation of speed between individual cases within any lane would be much more significant than the variation of speed between the lanes. In any event, the effect of this policy was not typically that

suppliers lost out, since they had the ability to sell elsewhere if they thought we were being too slow or if they had been refused.

- 7.10. The Closing team were also separate to my team, though again my team would need to know what was happening with their cases and might check for updates. We were not closely involved with the closing team and often did not know whether an offer had closed to a contract. That led to some frustration - for example, if a supplier came back with a new product and we did not know that they had previously been rejected and why, we might re-assess them from the beginning not knowing that they would be rejected again.
- 7.11. I have been asked whether the HPL team were involved in the Clearance Board when it was set up in early May 2020. There was no rule or general practice that HPL team members would present their cases to the Clearance Board, though there would have been some HPL members who presented cases that they had taken on - and there were in particular some HPL members who came to be involved in the Rapid Response Team. Many of the cases - from the HPL and the general route - were in my understanding presented by Mike Beard or Bruce Marshall from other teams, and deployed from DE&S.
- 7.12. As I understood it, therefore, whichever of the four routes the offer had entered by, it essentially followed the same path through the system. This was indeed how Hannah Bolton had described it to me on handover.
- 7.13. One step which was distinct (as I understand it) to the HPL was an informal target that the caseworker was to make contact with the supplier within 24 hours of receipt. It should be noted that this was simply the first contact, and was important because without it the supplier would not know that their offer had been picked up (as they would have done had they filled in a survey). It would normally be a response to the effect that we had received the offer and were planning to get back to them. In any event, emails that came in to the HPL started off behind others, since we still needed to get the initial information which other Opportunities Teams had from the start from the completed questionnaires from the survey. The speed with which the offer progressed to rejection or submission to technical assurance

would depend on the engagement of the supplier and I am not aware that, in fact, we got to that stage more quickly than other Opportunities Teams. In reality and in any event, due to the pressures of the caseload we did not keep to the 24 hour target very much. It was not policed by me and in fact I would have anticipated that caseworkers with a busy load would prioritise getting those to Technical Assurance rather than dealing with the initial notification. When I first joined the HPL Hannah Bolton said that her team 'usually reached out towards the supplier within the hour' **[MC/10 - INQ000534685]** but as the offers grew this was not always practicable. I believe that I referred to the 24 hour as a target twice when I was working on the HPL up to 4 May 2020: once when I was allocated a staff member to manage my mailbox on 6 April 2020, when I said "This is incredibly timely - I want to allocate (and ideally respond to) all contacts within 24 hours of receipt and I distinctly didn't manage that this weekend," **[MC/42 - INQ000534696]** and another on 8 April 2020 when I mentioned to a Deloitte consultant in the Make team "the opportunities drip feed in pretty randomly, and when they come in through our route they typically require an initial contact very quickly - ideally within 24 hours" **[MC/43 - INQ000534698]**. This matches what I remember, that it was an ideal which was often not met.

- 7.14. I should note that save to the extent needed to provide updates to stakeholders about the progress of their offers through the system, there was relatively little need to co-ordinate our activities with those of other teams, whose functions were quite distinct from ours. As such we were not always aware of how quickly or slowly we were processing good quality offers relative to other teams. But as I said at the time in email correspondence (see paragraph 6.5 above) it was my understanding that if a high quality offer came in through the general opportunities route then it would be flagged as high priority and dealt with swiftly by the caseworkers there. There were far more caseworkers in those teams.
- 7.15. In fact, from an early stage the HPL itself was struggling to process offers. On 8 April 2020 a Deloitte consultant raised a query as to whether the HPL could be used to process a high value offer, and Darren Blackburn replied "*No. VIP route is facing a backlog and is for MPs who can make life painful and shout loudly. If they are existing suppliers then they go through SCCL. If they are new suppliers - they*

go through the hopper and they are triaged accordingly like everyone else. If their volumes are such that they are high priority they will be contacted quickly and should fly through the system." That the HPL was struggling with a backlog was something that I observed again on 25 April 2020 [MC/44 - INQ000534574]. Throughout April 2020 one of my main tasks was managing the fact that the HPL was not in fact processing deals at pace. I would not have thought at the time that other routes were necessarily slower.

- 7.16. As the structures and processes bedded down in the first two weeks of April 2020, I had some quite frank discussions with the Technical Assurance team leaders. Like all other opportunities teams, my HPL team had the job of getting credible offers into the system and I wanted to do everything I could to make that happen as speedily as we could. There were so many offers coming in (whether to the HPL or otherwise) that the PPE cell as a whole had to prioritise and I was absolutely clear that the priority had to be given on the basis of quality of offer, not source of referral. I was frustrated, however, that HPL cases were slowed down in Technical Assurance and I thought at the time at least that, all other factors being equal, an HPL case with merit should be given priority over a case of equal merit which came from another route. I sent an email to [Name Redacted] who led Technical Assurance on 8 April 2020 asking that a number of deals be 'unstuck' [MC/45 - INQ000528477]. The two further offers that day to be unstuck were Tower Supplies and Uniserve. These were a mixture of 'noisy' deals and ones which had particular promise (though the 'noisy' ones were likely thought to be credible too - for example Uniserve here). I should stress that I was not asking that the above deals be approved through Technical Assurance, more that attention be given to them. In fact, when it came to the noise it was the limbo of not knowing what was happening to an offer which was the most difficult - if we could reply and say that it was being engaged with it was a lot easier (as I said in an email the following day to [Name Redacted] "Re the VIP priority thing, the key bit is knowing where they are in the process and an ETA for them coming back out of it. If we have that we can (usually) manage them. Without it they tend to escalate to ministers (or even the press) and it creates a surprising volume of headwinds for the programme" [MC/22- INQ000498255].

- 7.17. The following day in correspondence on a different matter, **NR** stated that “Urgency should be judged by shipping impact and not VIP status”, and subsequently when I had replied, he stated that if the “must deliver by date” was advanced to a very short timescale because of VIP status, that could directly impact real submissions and put NHS staff at risk. I was clear in my response that “we don’t shorten any deadlines due to VIP status - we do not bring deadlines forward”, and replied further later “We’re actually looking at developing a template response to suppliers who give us exploding offers which we don’t find credible. It’s extremely irritating in these circumstances to have people playing negotiating games with us. Re the VIP priority thing, the key bit is knowing where they are in the process and an ETA for them coming back out of it. If we have that we can (usually) manage them. Without it they tend to escalate to ministers (or even the press) and it creates a surprising volume of headwinds for the programme. Speaking personally, I don’t want a middling VIP lead prioritised over a credible high priority lead any more than you do. We’re totally on the same page on that. However, if two leads are otherwise equal priority and one is VIP, some weighting to the VIP is helpful. Even where that’s not practical though intel on timings is invaluable.” **[MC/22 - INQ000498255]** This correspondence from **NR** may have been a response to the emails about cases stuck in Technical Assurance which I had sent the day before (see paragraph 7.16).
- 7.18. I may have had some tunnel vision at this stage trying to push forward my team’s deals, given how hard we were working and the difficulties of getting any progress even on big deals such as those which had been introduced by Lord Feldman, who was DHSC special envoy, though at no point was I wanting lesser leads to be prioritised over better ones. **NR** was very clear to me that he would not work in a way which prioritised VIPs and that the only consideration would be quality and urgency of need. **NR** was of course right and I therefore accepted that position and, as far as I can recall, the issue was never raised again after this date. It was clear to me, from what **NR** told me, that the same treatment was going to be given to all offers, regardless of their source. I accepted that.
- 7.19. In recollecting this period, I have tried to remember what my attitude was to the offers that I was working on. Before I joined the HPL, I had not heard of Lord

Feldman. I had low expectations of the ability of senior referrers to provide good deals. At no stage did I have any intention of furthering one political party's referrals over another, nor do I believe I did so. It was however obviously my job to follow up the leads of senior referrers and I had to carry that out to the best of my ability. In the event, many of those leads turned out to be serious offers of much needed PPE from large companies which had come through the route they had because in the chaotic market that they were in they wanted to flag good offers at as high a level as possible. I therefore wanted to focus on getting those through because I was keen to obtain what I knew to be essential PPE. Outside of the context of that pressured situation I would not have sent the above emails to **NR** and his response was the correct one. I certainly never wanted to progress any deals which were not good ones, whoever they came from.

- 7.20. On 15 April 2020 I wrote to **NR** asking for an up-to-date statement of the materials that his team required to best be able to process offers coming through the VIP team. I noted that we were often asked to submit things before we would otherwise choose due to senior pressure, but said "the better the sense I have from you of what you need the better I can manage that." This reflected the position that if we submitted offers too early it would only delay them, since they would be rebuffed by Technical Assurance. In this email I was asking for information from **NR** so that I could reply to those applying pressure to explain why their offer could not yet be submitted to Technical Assurance. As stated elsewhere in this statement, the process maps for all lanes expected there to be to-and-fro between opportunities teams and Technical Assurance in this way and indeed had we not done so we would not have been able to progress offers efficiently.
- 7.21. On 17 April I sent an email to **NR** which was asking for an update as to a number of cases which had been stuck in Technical Assurance, some for weeks by that point (noting that the HPL was only itself 2½ weeks old) **[MC/47-INQ000533978]**. The following day I sent a further email as I had not received a response asking for them to be unstuck **[MC/36 - INQ000533987]**. As per our earlier correspondence on 9 April 2020 (cited in the above paragraph) I did not ask for these cases to be expedited above other cases that Technical Assurance had, and nor did I expect it. I wanted them to be 'unstuck' if they had become stuck in

the system (i.e. come to be ignored wrongly) or given updates if not. These delays in Technical Assurance were very significant and by the end of the month we were still finding that very few offers were getting through to get purchase orders, in part because (far from the system prioritising HPL cases) the China Buy deals were being given priority in line with our strategy at the time to obtain more suppliers from that route and SCCL **[MC/48 - INQ000534729]**.

- 7.22. I was understanding of the policy to support China Buy over HPL cases and indeed on 20 April 2020 had set out my 'strategy thoughts' in an email to Andy Wood. I stated that "The China team has the best routes to high volume sensibly priced PPE offers. However, presently they aren't able to progress those at pace through to contract and payment. I think that the team needs to become a fully-integrated Cell able to respond independent of UK-based decision makers (within an envelope, obviously). I think this is already in train, but the last couple of days have brought the need strongly into focus for me. The China team should be empowered, and resourced, to close a deal within 24 hours of becoming aware of it (potentially including making up-front payments within specified limits)". If the HPL or non-HPL were potentially competing in Chinese factories with China Buy leads, then they should be shut down quickly. I stated "Basically, the London teams get the internal and senior attention, but China is where things are happening. London should support China, and also get out of its way. London can then focus on soaking up kit elsewhere in the international supply chain rather than kit coming (via intermediaries) from China" **[MC/49 - INQ000534713]**. More generally, in the same email, I stated that "we need to be much faster and more robust in shutting down unproductive leads. That applies both to backlog offers, which Darren is on top of, and equally to VIP leads which don't look credible. The sheer volume of unproductive leads is obscuring sight of the good ones."
- 7.23. The engagement with Technical Assurance did however continue to improve and on 23 April 2020 I emailed them to thank them for all the work they had done to get cases over the line or clearly rejected (whichever was appropriate) despite the VIP cases being chaotic and difficult to manage, because we were gathering information on the suppliers manually and chasing sometimes to find out where things were **[MC/50 - INQ000534718]**.

- 7.24. That said, there remained real difficulties with communicating with Technical Assurance despite the steps that had been taken to improve this such as a dedicated resource. On 26 April 2020, Wendy Burdon who worked on the HPL (see below) sent an email entitled "The post-clicking "proceed to technical assurance" black hole", in which she set out how the system was working when caseworkers submitted cases to Technical Assurance via Mendix. This email was in particular about how to deal with very urgent cases, i.e. when the deal was going to disappear after a short time [MC/51 - INQ000534725]. It reflects what I understood to be the position at the time - when we submitted offers via the online system we often did not hear anything back for some time.
- 7.25. I should note that we did seek to prioritise cases, and Technical Assurance prioritised cases, on the basis that they were urgent deals or for highly sought products. We did on occasion also raise with Technical Assurance that an offer was causing noise and ask for updates or for it to be progressed. We did not however want any such offer progressed above better offers that Technical Assurance were dealing with at the time, and we expected Technical Assurance to take the cases in the order that was appropriate according to their own judgment (we did not have sight of all of the offers that they had, so it was not a task for us). For the reasons set out above and reflected in my correspondence with David Moore, we did not expect Technical Assurance to prioritise on the basis of 'VIP status'.
- 7.26. The role of the HPL remained, throughout its life, to manage referrals from senior officials. Sometimes things came to HPL through other routes – for example by a non-senior official contacting the mailbox or occasionally from suppliers who had somehow obtained the mailbox details. If these were viable offers, for large quantities of current high priority products we would often choose to process them rather than put them back in the general Opportunities Team workstream (which might have meant that opportunity starting again from scratch which could lose valuable time), in order to avoid risking the offer being caught between routes and therefore not being swiftly assessed. Given the time-sensitive nature of most of the offers we saw in the PPE Cell, it made no sense to push an offer back to the

beginning of the process and lose time (and potentially the offer) where on its face that offer looked as if it might be credible and for a large volume. That judgement was made on assessment of numerous factors including, whether the documents provided manifestly matched the proposed offer and whether the supplier appeared to have at least some understanding of the required technical specifications. If it came to us when ideally it would have gone through the portal, but was viable, we would seek to progress it where we had capacity within the team to do so. However, cases like this were the exception. Where an opportunity came to us through one of these other routes but did not look initially like a viable offer for a large quantity, we would likely have returned it to the main Opportunities Teams rather than use our resources on it.

- 7.27. It may be important to note that of the offers that we received from Ministerial Private Offices, it was not generally clear to us whether it was something the minister specifically requested to be sent to the HPL inbox or whether the PO were merely just forwarding on offers that they were receiving, without seeking the minister's views. If the offer appeared to have been passed on with the minister's knowledge, then it would be considered priority over an equal offer, as this would create 'noise' which is what the team was set up to manage. The key factors however would remain volume and whether the product was something that we really particularly needed.
- 7.28. I have been provided with a thread of emails sent on 17 April 2020 by people within my team, entitled "Embracing Mendix - new process" **[MC/52 - INQ000534709]**. Mendix was the IT system which the Buy Cell used to log offers. These emails are discussing how my team were to prioritise offers that reached them - i.e. offers within the HPL. This list recognised that amongst the offers that came to the HPL there were some which were simply "credible high volume offers of current priority items (eg gowns, aprons)", which I noted should be treated as high priority alongside a list of others. This list of other categories included "anything from Matt Hancock's personal email address; anything from any other minister where it appears for any reason that the minister is personally interested (but not where it appears it's come in to a mailbox and been forwarded by a private office likely without the minister ever having seen it); intergovernmental donations; donations

from major global brand or major UK corporates (household names basically);... and complaints of slow response from any of the above sources". Apart from the large donations, which were something that needed to be handled sensitively and were obviously of benefit to the country, the other categories on the list are those likely to create the most 'noise' in the system. That said, it was always within the discretion of any individual caseworker to arrange their caseload as they saw fit to maximise the potential for obtaining PPE (and I would have expected them to do so). Generally, caseworkers on my team would have a number of offers that they were processing, but many would have progressed to Technical Assurance or Closing, so they were able each day to rank their own new leads and work through the most credible ones, notwithstanding the fact that a backlog existed as below. I do not recall precisely whether this system was instituted. I believe it probably was, though as set out below by 25 April 2020 we were required to rethink in any event.

- 7.29. By mid-late April, but possibly earlier, we established a 3 strikes rule for potential suppliers, whereby a supplier had three opportunities to present an offer capable of passing technical assurance. An example of this being deliberated upon is on 21 April 2020 [MC/53 - INQ000561943]. Often the suppliers were not familiar with the process as they were new to the market and thus we could provide feedback on what was required in order to make an offer. However, we drew the line at three attempts within the HPL, as we could not afford to waste time, no matter how credible the next offer appeared. This prevented speculative suppliers 'fishing' and wasting time trying to get through our processes when they clearly didn't understand the required technical specifications. Later on, we also developed a standardised rejection letter to send to suppliers. An example of the three strikes rule being deployed was in relation to one offer in early May, where the repeated failure permitted me to stop dealing with the supplier [MC/54 - INQ000534737].

- 7.30. There were one or two occasions when we were part of a general drive across the whole buy team to focus on specific buying priorities – I can remember one weekend in April when we were all instructed to prioritise and triage existing referrals into the mailbox to try to get gowns because those were so critically in demand and another occasion when masks were the sole priority for a short time.

These were, however, the exception and our purpose, throughout, remained dealing with taking referrals from Senior Referrers through to early rejection or on to Technical Assurance. There were 'sprints', I believe for gloves, gowns and FFP2/3 masks.

- 7.31. In mid-April 2020 we were provided with some greater resource, when a team of the general route caseworkers transferred to the HPL as dedicated resource, under Wendy Burdon **[MC/55 - INQ000534707]** (including the 3 part-time team members who after this became solely dedicated to HPL cases). I believe that the Cell as a whole was also growing at this stage. As the email on this date shows, at this stage we were not yet on Mendix and so our processing was complicated. Further, Mendix were only applying the VIP flag at product level and not to suppliers, which made it very hard for the HPL team to use to track VIP cases through the system **[MC/56 - INQ000534706]**. The team that came to us had their own cases that they had been dealing with on the non-HPL so had their tasks split between the routes for a time **[MC/57 - INQ000534710]**.
- 7.32. After Wendy's team had fully joined the HPL, there remained a backlog. An email from Stuart Weatherall, a leader on the non-HPL route, related to taking on an offer of gowns. We had been asked to pick up any offer of gowns which came to us, but Stuart suggested that it be reallocated to the non-HPL. He stated "Is this actually a VIP case? Wendy's team are already hard pressed and other parts of the Opps team are better able to progress non-VIP cases." I suggested that there could be reallocation of the gowns cases which didn't involve a direct ministerial or governmental element, so that might "help share the load a bit with other teams" **[MC/58 - INQ000534712]**. Again, this shows that the HPL was not necessarily working faster than the non-VIP teams at this point.
- 7.33. On 23 April 2020 (three weeks after joining the HPL) I wrote an email to Barry Hooper and others which set out the role of the HPL as I saw it at the time. I noted "Why is there a VIP team? The simple answer is that ministers and senior officials sometimes introduce offers of PPE and want them personally handled rather than going through surveys and bulk routes. Some of those contacts simply flatly refuse to proceed via a webform (and some of those do have decent volumes of PPE so

are still worth progressing). The other answer is that where offers of this kind aren't quickly progressed the suppliers tend to complain directly to ministers. That creates unnecessary noise in the system" [MC/59 - INQ000534717]. At this stage I foresaw the HPL being wound down, but we still had a number of leads in a backlog in our system which needed processing, and we were producing some good offers to closing.

- 7.34. On 25 April 2020 I sent an email to my team setting out the backlog, explaining that "So far we've been trying to ration the volume of cases we've sent over from the mailbox, restricting ourselves primarily to the most pressing of the VIP cases. We appreciate the team is massively stretched and that if we sent over more there wouldn't be capacity in the system to advance them, and we were concerned it might simply be demoralising" [MC/60 - INQ000534723] I had been advised earlier in the day that we were "getting a lot of direct emails coming in - which suggests our email address is being shared by colleagues direct to suppliers a lot of forwards from colleagues that do not meet the high priority definition. When we get volume traffic it makes it hard to work efficiently at pace to progress high priority leads" [MC/61 - INQ000534722].
- 7.35. On 25 April 2020 I sent further emails reflecting on the backlog that we were encountering in the HPL [MC/44 - INQ000534574] [MC/62 - INQ000534721]. In the first email I wrote that the team were "struggling to keep up". In the latter email I stated "right now we're so swamped that we end up spending most of our time fire fighting".
- 7.36. In the second email I set out that by this stage there were six routes by which cases were coming to the HPL:
- 7.36.1. "Suppliers who filled in the survey, didn't hear back and escalated to ministers either directly or through their MPs."
 - 7.36.2. "Suppliers who are forwarded to us from other points in the system as a means of escalation, despite no ministerial or similar involvement (often offers with short time frames to close; otherwise typically because they have used the survey, not had a response and lodged a complaint somewhere.

- 7.36.3. “Suppliers who have obtained a ministerial private office email address and directly contacted the minister’s office with their offer. The private office then flips it to us. Often no evidence the minister is even aware of the offer.”
- 7.36.4. “Suppliers who have got our mailbox address from somewhere and just contact us directly”.
- 7.36.5. “Suppliers who are personally recommended by ministers directly (rather than through their private offices)”.
- 7.36.6. “Major corporate or intergovernmental offers or donations, often coming through from the FCO”.
- 7.37. Effectively, at this stage many offers which had come through the survey were being redirected to us because the supplier who had heard nothing back had escalated it via senior figures who had referred it on to us. There might have been valid reasons why the Opportunities team had not dealt with the deal (it might for example not have been for product that was being prioritised at the time), but the entire Buy Cell remained overwhelmed by offers. In order to make our team’s work manageable, and unclog a system which had been overwhelmed by too many offers, I was proposing narrowing it back down to purely ‘VIP’ offers - i.e. categories 5 and 6 above. To my mind I was required to do this because otherwise our processing of offers would become unacceptably slow and we would be a block on the process. We had become something of a ‘failure’ route whereby anyone who had a grievance about the way that they had been processed elsewhere would escalate it through the system until it came to us. This suggestion was approved by others [MC/63 - INQ000534724], and I subsequently sent out further guidance [MC/64 - INQ000534730].
- 7.38. On 26 April 2020 in correspondence with Stuart Weatherall the plan was approved. Again we discussed reallocating cases from the HPL to other teams as my team was so stretched [MC/63 - INQ000534724]. I also advised how other teams could assist in tagging or reporting actions so that we could provide updates whenever we got chased. Later that day I recorded providing Stuart Weatherall’s team with the entire unallocated VIP backlog, [MC/65 - INQ000534726] which meant that the team was still working at full capacity (with new offers coming in daily) but without such a long queue.

- 7.39. At the same time, Wendy Burdon was proposing resource for the team based on the work that was to be done **[MC/66 - INQ000534727]**. Aside from those working on donations, and in management or other roles, she had filled 7 of the required 14 positions that she thought were needed to have the minimum staff in order that the team could cope **[MC/66 - INQ000534727]**; **[MC/67 - INQ000534728]**.
- 7.40. In the days following the change set out in paragraph 7.37 above I continued to refer on offers, albeit that I can see that I referred on offers to remain in the HPL referred by the DHSC Permanent Secretary **[MC/68 - INQ000534733]** and a Labour Peer **[MC/69 - INQ000534731]**, even though they did not meet the strict criteria that we had set out above, which reflects the fact that the criteria remained discretionary and directed still towards reducing 'noise' in the system.
- 7.41. Thus, towards the end of April, I considered ways in which the HPL team would develop over the next month. At this time the HPL was still struggling with potential offers and working under enormous pressure, and it needed to have alterations. I projected that over the next four weeks, the wider case backlog would commence clearing and that the Rapid Response Team would commence full operation, moving out of the trial phase. Whilst there was still a large backlog of cases to clear at the time, the new Rapid Response Team system would come into place and ideally ease pressure.
- 7.42. When the Rapid Response Team was set up, some of our caseworkers assisted on it. This again caused difficulties and we asked that more cases be taken on to the RRT from the general route **[MC/70 - INQ000534732]**. However, I understood that the RRT had to continue to take a number of HPL cases in its formative stages because they were the most ready to go. There was no political dimension to the RRT. The purpose was to get a deal to closing or, if it was to fail, to make it fail fast (at least one I think was rejected within an hour). Indeed, I remember also having a concern at the time that after the pilot phase even good quality cases coming through the HPL would be inadvertently left out from being processed via the HPL as the route was only going to take them from the non-HPL route. In an email I sent at the time, **[MC/71 - INQ000534720]** I suggested that the HPL should be able

to recommend for acceptance on the RRT cases which qualified for the RRT under the RRT's criteria. I said that I did "not want a case that would have been suitable for RRT treatment not getting it simply because it was introduced directly by a minister rather than coming through the survey". This reflects my concern at the time that, far from the RRT being biased towards the HPL, it was going to in fact exclude such cases entirely.

- 7.43. I moved on from the HPL on around 4 May and handed over work to John Brannan [MC/72 - INQ000534734]; [MC/73 - INQ000534735]. By this stage the HPL was far more stable, and the inbox more under control, though I continued to troubleshoot problems with John, given that I was more experienced in the work than him.
- 7.44. From May onwards my work was focussed on the operations part (stabilisation and improvement) of PPE, which was seeking to improve the efficacy of the Buy Cell [MC/73 - INQ000534735], and I also had a role in relation to the Rapid Response Team as a commercial lead to assist in complex commercial decisions when escalated by caseworkers [MC/74 - INQ000534736]. I also worked, for example, on providing checklists for Opportunities caseworkers (on both routes) and rejection scripts [MC/75 - INQ000534739]. I was also involved in addressing the general Opportunities route backlog which by 20 May 2020 had increased again to 6,630, though 4,000 of those could be rejected by the Arvato call centre on grounds of failed financial due diligence, low volume supply offers, dormant offers and a few miscellaneous reasons. This queue was therefore reduced again.
- 7.45. The HPL was stabilised through May whilst the RRT became more successful and then there was a move to purchasing by category. The HPL therefore decreased in relevance and began to be wound down.

8. SUMMARY OF THE ROLE

- 8.1. It may be important to summarise the context for how the HPL was operating in the early days.

1. We knew that it was essential to process as many strong offers as we could, in the face of what appeared to be a desperate shortage of PPE across the country. We were acutely aware that doctors and nurses were dying for lack of PPE and felt that any time we spent not progressing deals and helping obtain PPE was potentially putting lives at risk. That was on our minds all the time. We were working late into the night each day, seven days a week.
2. Some of the offers we were processing clearly came from reputable, well-known firms. Others were contacts that were unknown to us, but had somehow managed to obtain PPE from overseas suppliers. A number of offers were however deficient and we did not want the Cell's time to be wasted on those. It was not always easy to identify which suppliers in fact had stock – some individuals or companies who at first sight seemed unlikely did in fact have vital links to Chinese manufacturers.
3. It was also difficult to understand whether they had what was being sought, by reference to the standards that would be verified by technical assurance teams.
4. This was a market context unlike any I have ever seen before or since and which I hope never to see again. International demand was frenzied and hyper-competitive. Valid offers for PPE would rapidly disappear because they were being purchased by other nations, and there was only a short amount of time for which any offer might be open. On one occasion I remember PPE was bought out from under the Buy Cell while waiting on a landing field to be loaded onto a freight plane. This put a lot of pressure on us to work quickly. Further, as a result it would not have occurred to us that valid suppliers of PPE were being disadvantaged depending on which route they came in by – it would have seemed to us that anyone who had PPE to sell was at the time able to do so to a country of their choice and often at a price of their choosing (though the overall PPE Cell did have pricing controls).
5. PPE offers were often made on an 'exploding' basis, i.e. 24 hours in which to make a buying decision or not, failing which the supplier would sell to another country. Application of standard procurement practices was

impossible, resulting in the issue of a specific procurement policy note PN 01/20).

6. It was not that surprising that some of the vendors who did have valid PPE were trying to flag that fact at the highest levels, particularly within DHSC. Even the rapid route via the survey might seem too slow for them. We were therefore being passed these offers. Some of them were not reliable, but others were good offers. Whilst we would know which senior referrer's mailbox they came from, we would often know nothing of any links between the supplier and the referrer.
- 8.2. In the above chaotic context, it was incumbent upon us to work as rapidly as we could with potential suppliers to ensure that they passed the basic checks: that the product seemed to exist and was apparently of the right specification, before handing it on to the due diligence, technical assurance and closing teams who would do more detailed checks. We understood ourselves only to be doing the first level of triage, but wanted to do that as quickly as possible.
- 8.3. I must admit that although I was only directly in charge of the HPL for a little under five weeks it feels like much longer. At the same time, I can see that everything happened very fast. Normally we would spend weeks just establishing terms of reference and requirements before a procurement. Here we (including all the senior members of the Buy Cell) had built an entire enormous buying exercise, using novel systems under Regulation 32(c), within a few days. It is easy to put unrealistic expectations on people working in such a system.
- 8.4. I wrote to Rob Nixon on 4 April 2020 (the first Saturday after I had joined the HPL) in the late evening: "I logged on today at 7am. Others logged on earlier so there's nothing special in that. Since then I've largely been dealing with large volume cash up-front exploding offers and high-profile stakeholders. That's the territory" **[MC/18 - INQ000534694]**. The long hours dealing with large, difficult deals did themselves cause pressure.
- 8.5. I have been asked to address the pressures involved in the role. It was inherent in the role that I was required to carry out that I would receive requests for updates and pressure from senior referrers to make sure offers were being handled correctly and promptly. The mere fact that referrers were noisy just meant that we

had to tread more carefully, and emails we sent at the time showed how we were responding to offers that we considered were poor but needed an explanation to the referrers as to why. There were a large number of occasions where we replied to senior officials and ministers explaining why an offer would not proceed [MC/26 - INQ000534941]; [MC/76 - INQ000561945]; [MC/77 - INQ000561944]

- 8.6. I can also categorically state that my team were not engaged in promoting deficient offers, whoever they came from. I took my role very seriously – it was to pursue the leads I was given in order to try to obtain PPE. Emails I have referred to earlier in the statement show where my colleagues and I were responding to senior referrers to tell them why a deal could not be furthered. Even on the HPL approximately 90% of offers were not taken forward.
- 8.7. I have been asked to specifically address the PPE Medpro offer. I was approached in relation to the PPE Medpro offer by Richard James, who raised a query with me about the offer on 13 May 2020, and mentioned Baroness Mone [MC/78 - INQ000533376]. I noted that the fact that she had a personal connection to the deal (in that I was told that her partner was a financial backer) was not unusual - offers on the HPL often were connected to government, and that in itself would not be a conflict of interest in the environment in which the Buy Cell was working, where it was necessary to pursue any leads that came forward, and where the connection to government had no role in the decision to award a contract. Indeed, I do not think that even if she had said that she was going to gain from the deal herself it would have been a reason to exclude the company per se, if the deal were a good one. Nor would it have made much difference were she thought to be a supplier and still checking for updates: suppliers are often pushy in that way and commercial officers stand up to that (and the actual decision makers were largely insulated from having to deal with suppliers and referrers directly). An area of additional concern would be when a company is acting in a way towards us which is not transparent, and I do think with hindsight I did not fully recognise the implications in the emails that they were not being fully transparent. However my expectation would be that the rest of the process would minimise risk through due diligence and other steps. I did raise concern about the financial transparency of the business and suggested ways to mitigate the risk. I was not involved in the

deal after that. Again, had the offer been a poor quality one (for example for products that we were not seeking) I would have expected it to be closed down in any event.

9. LESSONS LEARNED AND REFLECTIONS

- 9.1. From the beginning of my time on the HPL, my team and I worked extremely hard to find good offers for PPE in an incredibly difficult purchasing environment, and I am extremely proud of their hard work. I believe it saved lives. I am aware that a higher percentage of the offers that arrived on the HPL were taken through to closing than those that came via the general route (though the numbers that were successful through the HPL were still very low). Having been involved in many of these offers, I do believe that this must be in part because of the efforts of my team in locating the good offers, and the fact that there were a number of high quality offers coming through the HPL.
- 9.2. That said, the HPL, like the Buy Cell, did struggle to deal with an overwhelming number of offers. It also inadvertently became somewhat of a failure route (see paragraph 7.37 above): if a potential supplier did not receive a response from the online portal, they would then raise it with their local MP. So, as the main route became backlogged and delays were significant, these offers would then find their way to the HPL Inbox. We would then become effectively a complaints manager.
- 9.3. It would be wholly wrong to disregard the pressures that were present in the pandemic and will be present in future crises. It was chaotic. The system was rapidly changing and we were doing our best to react. It is hard to dispassionately dissect now decisions which were taken in the heat of the moment with the intention of managing the chaos. We were wrestling with all these pressures in order to deliver our key task, which was to procure PPE. If that meant delegating some resource to deal with noise, it seemed proportionate to us.
- 9.4. The widespread use of the Regulation 32 process was unprecedented for us - even expert procurement lawyers (which I was not) had to litigate to find out what the requirements of such a process were at the High Court.

- 9.5. Also unprecedented for us were the number of senior politicians and civil servants scrutinising the process and reaching out for updates. We were therefore exposed to more political pressure than we would have been used to. It is important to stress that the design of the system insulated the key decision makers (in technical assurance and closing, as opposed to the front end process such as my team) from political pressure - I am not sure if that was the intent of the design (which really compartmentalised the work), but it was its effect. The caseworkers in the HPL were in a sense lightning rods for that pressure, and expected to withstand it.
- 9.6. I do acknowledge that, perhaps as is inevitable human nature, if a caseworker received an email saying that there was particular interest in an offer from a very senior minister, then they might be more likely to open up that case and see what had happened to it - though often I am sure they would ignore that email and proceed with whatever deal they were progressing (and if they felt the pressure to be inappropriate or too difficult to handle I would have expected that they would escalate it to more senior personnel). In reality, I think that such chasing was relatively rare - in the vast majority of cases on the HPL it came in via a senior referrer's office but nothing further was heard, so that even if the caseworker felt pressure because the case they were dealing with was known to a senior minister, then that was true for almost all of the cases they were dealing with and no reason to prioritise one over the other. But even if the caseworker did open up the case to review it as a result of some extra pressure, the impact on the overall progress of the case would likely be minimal. Unless all the documentation were available it could not be moved on to Technical Assurance. Even if it was moved on to Technical Assurance more quickly, it would only be slightly quicker than it would have been sent through otherwise, and it would still need to move through the further stages of the process, which were more time consuming. It certainly did not feel like we were processing cases particularly fast. And, as set out above, the later stages in the process were not predisposed at all to expediting the cases of senior referrers. The decisions to actually grant the offer were taken by others, who were not exposed to the pressures that my team were.

- 9.7. Despite being proud of the hard work that we did in following up the leads that were given to us, I am well aware of the press coverage of the HPL since 2020. Were I to be in command of the procurement response in a similar situation in future, I would not set up a separate procurement lane for senior referrers. Even if there was in fact no difference in treatment throughout the process as a whole, the existence of a separate route for entry into the Opportunities lane has led to a perception of different treatment, which has greatly affected public trust. I also acknowledge the fact that there were two different teams dealing with new suppliers meant that there was the possibility of different treatment between the two cohorts (those coming through the survey and those coming into the HPL) so that if my team were quicker or more responsive, then suppliers would get different treatment. That said, as I set out below, it may have been that the HPL was working more slowly on some offers at times than the general Opportunities route, in which case suppliers on the HPL would in fact get through more slowly. Part of this potential for different treatment - as in whether suppliers were being treated better or worse - depended on how suppliers were dealt with on the general Opportunities route, which I was not always informed about. As above, my understanding at the time however was that the high quality offers on that route were to be likewise swiftly identified, prioritised and dealt with.
- 9.8. I understand that it has been said elsewhere that offers could be processed through the HPL faster than other routes, and I have been asked to address that. I do not think I can compare the two routes easily as there are many variables in play. To my mind it would very much depend on the situation in the HPL at any given time, as well as the nature of the offer, the responsiveness of the referrer, and the prioritisation of the caseworker. Again, whilst it is true that caseworkers on the HPL were expected to respond to the supplier within 24 hours, but this was just an initial contact, likely with the result of obtaining information which would otherwise have been obtained through the survey already through non-HPL routes, and with the purpose of satisfying referrers that the offer had been picked up and was being processed. In reality, we struggled to meet that target.
- 9.9. A key question for the Inquiry will be how such a crisis should be dealt with in future. That is to say, a situation where the country is in desperate need of certain

life saving products, its established supply routes have broken down or been exhausted, and there is global competition for the very scarce resources that are left. In such a situation it is imperative to find the suppliers who do have access to such products. There will be intense public and political pressure to make sure that those offers are being picked up, and a real danger of panic if trust in the system is lost. On the other hand, there will also be a large number of offers which are speculative or deficient – from people trying to help but who do not in fact have access to sufficient quantities of correct stock, to offers which are fraudulent. Some of those suppliers who do have good offers will be escalating their offer to people in the administration.

- 9.10. In such a situation simply methodically working through the offers in turn may mean that life saving products are not purchased. By the time a good offer is identified, the product will likely have been purchased by someone else.
- 9.11. The system will need to be able to pick up high quality offers which are being flagged to members of the administration and will also need to be able to absorb the noise caused by referrers and other interested parties.
- 9.12. It is my view that the handling of the 'noise' should be done by communications teams reporting back to referrers, rather than by commercial staff. I also consider that procurement teams which are stepped up should be supported by dedicated administrative staff, to avoid a situation as here where because everyone was working flat out to progress opportunities record keeping was neglected. The need for accurate record keeping was also picked up in the first and second Boardman Review, noting that that accurate record keeping should be central to all procurement processes and reinforced through training and guidance **[MC/79 - INQ000055876]; [MC/80 - INQ000055888]**. This is a recommendation I fear may be overlooked even in the present day, and should be forefront when considering takeaways from the procurement process at the time. Officials conducting procurements in a crisis should not have to choose between spending their time obtaining essential supplies and keeping good records. The importance of administrative support should not in my view be underestimated.

- 9.13. I would also suggest that the system would have been more manageable had some of the confusion been resolved – for example, had we had someone easily accessible to provide advice and/or guidance on technical compliance. There were no individuals within the HPL team available that had detailed knowledge of clinical criteria; for example, I recall on one Saturday afternoon having to conduct my own internet research regarding glove specifications to determine whether what was being offered was likely to pass technical assurance. Access to proper advice would have been useful and made things much more efficient overall. Likewise it also appeared to me that there was a gap in the expertise of key individuals involved in decision making within the PPE Cell, as to my knowledge none were from a logistics background, which was relevant to understanding why purchased goods were accumulating in government warehouses. It is important that crisis response draws on a full range of skills and competencies; serious issues may arise that are not recognised as such by officials from one discipline if they have no personal relevant experience (policy professionals may not fully appreciate commercial risks; commercial professionals may not fully appreciate operational delivery risks, and so on).
- 9.14. Most importantly, looking back I would ensure that officials are briefed not just to the immediate task at hand but also to the importance of properly recording decisions and ensuring transparency. The same people in the HPL team were by and large in the same discussions, day in day out, which led to no operational need for meeting agendas, notes or records of the discussions within those meetings. This was a mistake, but not one we could have avoided with the resource we had. This was due to the sheer volume of work the team were carrying out, and as such the lesson identified is that this type of work needed to be undertaken by a dedicated administrative resource.
- 9.15. I would also recommend having a propriety and ethics senior official or team made expressly available to the senior leadership of crisis responders in any comparable future exercise, so that responding officials can seek guidance where needed. In such circumstances, the senior official might resolve early any issues that are developing, such as any unequal treatment between the lanes.

9.16. I would like to support the Inquiry in any further way that I can in considering procurement in this Module.

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 in its truth.

Signed:

Personal Data

Dated:

9 January 2025
