

Witness name: Andy Wood

Statement No.: First

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Dated: 3 March 2025

THE UNITED KINGDOM COVID 19 INQUIRY
FIRST WITNESS STATEMENT OF ANDY WOOD

I, **ANDY WOOD**, WILL SAY AS FOLLOWS:

1. Introduction

- 1.1 This statement is provided in response to the request for evidence under Rule 9 of the Inquiry Rules 2006 made on behalf of Baroness Heather Hallett, the Chair of the UK Covid-19 Inquiry, by letter dated 7th August 2024.
- 1.2 This statement is intended to set out the key aspects of my involvement in procurement and distribution of key healthcare equipment and supplies including PPE, ventilators and oxygen, lateral flow tests and PCR tests relating to the UK's response to Covid-19 from 1 January 2020 to 28 June 2022.
- 1.3 This statement has been prepared with the assistance of Counsel and lawyers at the Government Legal Department. My statement sets out my personal knowledge and experience, as refreshed by documents or papers made available to me.

2. Background

Personal experience

- 2.1 I have worked in commercial procurement roles since 1993 including ten years as a senior buying manager at Tesco plc, a global commercial project role at Barclays Bank plc and as Main Works Procurement lead for Thames Tideway Tunnel. At the beginning of 2018 I was Head of Procurement, at HS2 Ltd, for Main Works Civils (Phase One) and latterly Stations. I left HS2 Ltd in September 2018 and commenced a new role at the FCDO as Head of Estates and Security commercial strategy. Some of these roles were as an independent contractor through my own limited company.

- 2.2 On 24 February 2020, I joined the Complex Transactions Team as Deputy Director, Commercial Specialist, part of the Government Commercial Function sitting within the Cabinet Office.
- 2.3 During the first few weeks of my role, I was undergoing an induction into the team and assisting in pulling together Covid-19 advice notes for the Commercial Function Leadership Group (all Central Departments Commercial Directors chaired by Gareth Rhys Williams) and had also just been assigned to support BEIS on a commercial project.

Deployment to the PPE Buy Cell and summary of other key personnel

- 2.4 On 21 March 2020, I was assigned (along with initially 4 other colleagues from CTT) to support DHSC in procuring PPE. We were assigned specifically to Emily Lawson (Commercial Director NHSE&I). The leadership structure of the overall PPE cell evolved over time. Jonathan Marron was the co-lead of the PPE cell and later Lord Deighton joined as the overall Buy/Make lead.¹
- 2.5 I was appointed, at this time, as the lead for the PPE Buy Cell (which was a subset of the overall newly established PPE Cell or Parallel Supply Chain) and held this role until the end of July 2020. I reported to Emily Lawson who became the overall PPE Cell/Team Lead). There were regular briefings to Emily as set out below.
- 2.6 The CTT has a relationship with other departments akin to that of a consultancy firm with its clients. We specialise in supporting highly complex commercial projects and programmes. We have account leads who liaise with departments to ascertain when and where support is needed. As a member of CTT I would be assigned to a client department where I would agree specific commercial deliverables and outcomes. Like a consultancy, we would normally have an engagement letter with the client department, noting the agreed key deliverables, duration and fees. There would be periodic updates to the client department.
- 2.7 The deployment to the Buy Cell was also on this quasi-consultancy basis, with CTT staff working under the DHSC hierarchy, but in the urgency of the situation there was no engagement letter or specific deliverables written down. Also, unlike most CTT engagements, we were not working alongside and supporting people already in place in the client department responsible for the specific tasks, so there was nobody already within the new Buy Cell who had previously been carrying out the buying of PPE (with

¹ {AW/1 INQ000534904}; {AW/02 INQ000534905}

the exception of a small team from SCCL which I will describe in further detail below and support that Deloitte were providing to Chinese deals via our Embassy). We had to build a buying function completely from scratch. This was a challenging environment to work in.

- 2.8 Between 21 March and the end of June 2020, the role of lead was shared at various times with Jo Newman, Darren Blackburn, Max Cairnduff, Richard James (all SCS1, i.e. the same seniority as me) and Chris Hall (Deputy CCO, more senior than me, who joined later).
- 2.9 Chris Hall joined the PPE cell at the beginning of April as a caseworker. I imagine he was asked to support PPE based on a request from Gareth Rhys Williams and because the task was increasing in size every day. Chris provided much needed support and guidance with his commercial and government experience. By early May, Chris was both providing input into specific deals and suggesting ways, based on his experiences of 'being in the trenches of casework', of how we could speed up our processes for deals that looked credible. Chris also drafted an update on progress for the Cabinet Office Permanent Secretary² and later took on the role, along with myself, of representing the team at strategy sessions with Emily Lawson, Jonathan Marron and Lord Deighton.
- 2.10 During this period, Emily Lawson was my direct client and the overall PPE cell lead. I had regular updates with Janette Gibbs who was the acting Director of CTT. Janette was coordinating resource allocation of all CTT team members deployed to various Covid-19 efforts, along with the CTT Senior Management Team. My official line manager was Dan Webster (also an SCS1) but he was working on the Ventilator Challenge during this time so Dan and I had periodic check-ins.
- 2.11 I had regular contact with Gareth Rhys Williams, the GCCO, to check in and the PPE short, medium and longer term strategy was being developed by another assigned CTT colleague Robert Nixon for Emily Lawson, via a number of strategy sessions to consider our immediate and longer term plans. Furthermore, Barry Hooper (who at the time was the SCS2 Commercial Director for Ministry of Justice) was seconded as a senior Project Management Office ("PMO") lead across several GCF efforts on Covid-19 related projects.³

² {AW/03 INQ000534902}; {AW/04 INQ000534903}; {AW/05 INQ000534908}

³ {AW/06 INQ000534901}

- 2.12 In July 2020, Gil Steyaert, a colleague of Lord Deighton, was formally appointed as PPE Buy and Make Cell co-lead alongside me until the end July 2020, supporting the transition of the buy cell into a new longer term organisation, as the forecasted stockholding of all products had reached the targets set. Gil had worked with Lord Deighton during the 2012 London Olympics. He was the ex-COO of Adidas and had good knowledge and experience of international markets. He was introduced to the programme by Emily Lawson during late April 2020. Gil began by assisting my CTT colleague, Rob Nixon, on PPE strategy and Gil and I had had a number of 1-2-1 catch ups before July.
- 2.13 My role in July changed to support the PPE Buy Cell's organisational transformation. My primary focus was on overseeing, along with Gil, the development of product specific category strategies which set out updated market insight and future recommended buying strategies. My role also involved providing regular updates on the transformation to the overall PPE Cell governance board chaired by Jonathan Marron, Emily Lawson and Lord Deighton.
- 2.14 After July 2020, I then returned to 'normal active duty' within CTT and was assigned to various complex commercial projects across government. None of these roles involved key healthcare equipment for the pandemic. That continues to be my role as at the date of this statement in January 2025.
- 2.15 I was contacted directly on Saturday 5 September by William Warr, who held a role at No.10, to assist with another Covid-19 related project related to testing. Will explained that Lord Deighton had recommended me and that Dido Harding and Alex Cooper were going to contact me. I emailed Max Cairnduff (who had been promoted in August 2020 to Director of the Complex Transactions Team, SCS2), who responded on Sunday 6 September and explained that CTT was coordinating a central response to these types of requests and that No.10 should not have contacted me directly. By this time I was assigned to other 'non-health related' work and continued with those engagements.⁴
- 2.16 In April 2022, alongside my normal assignment duties, I also became the CTT account lead to the MoD.

3. My roles in relation to the procurement of key healthcare equipment and supplies

⁴ {AW/07 INQ000534841}

- 3.1 As stated above, I was involved in the procurement of PPE during the pandemic. I was not involved in the procurement of any other key healthcare equipment during the pandemic.
- 3.2 I will set out my role in relation to PPE at a high level (with reference to relevant documentation developed at the time) and then go into further detail on what this looked like on both a day to day and a more strategic basis.
- 3.3 I do note that various roles in the PPE buying cell changed over time, as the organisation evolved. There were numerous organograms produced throughout this period to reflect learnings we were making and to continually pivot to the most effective team organisation. My CTT colleague Jo Newman, was responsible for the team organisation, resources and IT infrastructure. Although I was named as lead in those first days when we five CTT staff were deployed to the Buy Cell on 21 March 2020, after the initial set-up, I was new into the civil service and new into the CTT team and my role was to provide oversight, strategic direction and to be one of the key links to others outside the Buy Cell. I saw my role as largely letting the teams and their managers - who were the same seniority as me, or in Chris Hall's case more senior - get on with the details of specific deals. I did of course provide my views on various subjects and we managed through a crisis period as a team. We had multiple check-ins every day to discuss communication coming from Emily, Jonathan and latterly Lord Deighton and vice versa, as detailed further below. One role I had as lead was to attend the 8.30am meetings with the whole programme to represent the PPE Buy Cell. My CTT colleagues also took on this role on a rota basis.
- 3.4 In terms of the operations of the PPE Buy Cell, my team and I, with help from Janette Gibbs, created the initial structure to give the PPE Buy Cell as many identified tools and 'enablers' as it needed as quickly and effectively as possible so that it could function in the circumstances we were in. By 'enablers' I mean functions both inside and outside of the PPE buy cell which would allow its buying to be successful. I cover this in more detail below.
- 3.5 At a high level, my role as the PPE buy cell lead (from 21 March 2020 until 26 June 2020) included the following duties, as set out in a team structure dated 14 April 2020.⁵

⁵ 2020-04-15 PPE Commercial Structure - Roles & Responsibilities Covid19 Draft {AW/08 INQ000534898}

1. Create and lead a PPE Buy Cell for the provision of the identified PPE products transferred from SCCL.
2. Ensure enablers for the PPE Buy Cell are in place.
3. Identify routes to source PPE products.
4. Coordinate activities between the PPE Buy Cell and other workstreams for NHS PPE products.
5. Work to deliver priority items to Daventry logistics location based on Demand signals.
6. Provide strategic direction for the PPE Buy Cell.

3.6 I expand on these roles below.

3.7 However, it is important to note that the PPE Buy Cell was a thrown together organisation. Despite the attempts to define individual roles, as can be seen in the above document, there were in reality no comprehensive job descriptions or individual objectives. The focus was on getting things done. It is also important to note that I and many others were asked to support a national effort that was chaotic for the first few months and we needed to collectively get it under control. I walked into the worst possible scenario. People were dying from Covid-19, with the threat of many more dying. One of the key things that could reduce/prevent this was to source PPE products.

3.8 I also had no expertise in PPE. I can remember being at home one night at around midnight and reading a HSE report on the testing process of FFP3 masks. It was precise and lengthy with minimal/zero tolerance. Products were prototyped and tested with factory visits and sampling and more testing. This was therefore a highly specialised product which we would need to source from a limited number of manufacturers. The rest of the planet was in the same situation of limited stocks and huge demand for PPE. So it was a race, it was a global emergency and ironically the centre of much of the world's PPE production was in Wuhan - a place name we all now know.

3.9 I had, at the point when I was deployed to the Buy Cell, been a civil servant for 20 working days. CTT was being deployed rapidly across several Covid-19 related projects. It may be that I was asked to lead the CTT commission because there was no one else, but I did have experience of leading large time-bound critical commercial projects. I admit I relished the challenge because I wanted to make a difference, and together with our small initial team ran towards this challenge. I remember early morning motorcycling

across Waterloo Bridge towards Skipton House (NHSE&I) headquarters and it was empty but with brilliant sunshine - like the film 28 days later - apart from seeing Brigadier Phil Prosser (who would work on PPE logistics) and his team marching across from their digs at the Savoy Hotel. Like many others of us working on the Covid response at the time, none of us knew if we would contract a potentially deadly disease that day or take it home to our families.

- 3.10 I give this background because I do want the Inquiry to understand the context of how pressurised and unusual the situation was.

Overview of work carried out by the Buy Cell

- 3.11 When the Buy Cell started our instruction was to buy as much PPE as we could, (as later was set out by Jin Sahota, who was the CEO of SCCL),⁶ and that is what we set out to do.
- 3.12 On 22 March 2020 (day two) at 5.31am, I wrote an email to Emily Lawson and Janette Gibbs stating "Reflecting on the last day or two I've listed below help I need urgently to have a chance of success"⁷. This email set out my first impressions of the enablers and support we required and the list below (both internal and external) did not deviate much from this initial observation. This email also reflects how difficult I thought the task to be.
- 3.13 A day later (23 March 2020, day three) at 6:07am, I sent another email to Janette Gibbs containing a rough draft of a submission I wanted to circulate to the GCCO and Ministers as to who we were, problems we were facing and our plan. One of the practical problems I referred to was that "[o]ur inboxes are being bombarded", I therefore asked for someone to monitor and field my inbox. I also asked in this email for a senior governance board to be set up, which would be for DHSC to create in addition to any oversight carried out by the DHSC Accounting Officer. In the event no such board was set up at this time, though some of the functions it would have had were discharged by the Clearance Board, or the Project Management Office which was also run by DHSC. Such a board would have been asked to formally approve our procurement process, approach, our medium and long-term strategy, our operating model and might have set price limits. Instead we developed these approaches and shared them with Emily Lawson and other DHSC colleagues.⁸

⁶ {AW/09 INQ000534897}

⁷ {AW/10 INQ000534845}

⁸ {AW/11 INQ000534882}

- 3.14 We had to set up teams and processes to buy as much as we could of the products identified to us. We built an organisation from scratch made up mostly of people who have never met in person. From a team of 5 secondees to DHSC, we created a team of 500+ people⁹ across the UK, working mainly from home, to engage in the procurement of PPE to satisfy the demand signal as quickly as possible and to procure enough PPE to build a minimum of 4 months (forecasted) stock of each identified item.
- 3.15 To do this, we worked a seven day a week rota (working 16+ hours a day, with those working to buy from China covering Chinese hours) usually with one day off per week. The 5 Senior Civil Servant leads of the CTT team – Jo Newman, Daren Blackburn, Max Cairnduff, Richard James and myself - agreed to cover for each other to allow one day off per week and we assigned one of the other team members to cover their area of responsibility (and to update out of office messages for that day accordingly). I took one week off, from 18 May to 25 May, and this was covered by the team.¹⁰
- 3.16 Janette Gibbs assigned Rob Nixon (another SCS1 CTT colleague) to work alongside our team to build a PPE strategy for the short, medium and long term. Rob Nixon led these regular strategy sessions. This helped shape our approach which resulted in the creation of the buying plan workstream, moving to product/category led teams, quickly reducing and rejecting poor offers via the portal and a heavier focus on existing NHS suppliers as a source of more reliable supply.¹¹
- 3.17 There was a lot of work done to coordinate activities between the PPE Cell and other workstreams. NHSE&I / DHSC established a central PPE cell Project Management Office (PMO). The Buy Cell also established a dedicated PMO which provided progress updates, risks logs and communication to the central PMO and outwards to the Buy cell. The SCCL team within the Buy Cell (as explained further below) also received communication and direction from the Central PMO and we could coordinate our efforts.
- 3.18 The Commercial Director for DHSC, Melinda Johnson also acted as a communication and coordination point out across the DAs. Likewise, the Commercial Director for NHSE&I, Preeya Bailey, did the same with NHS Trusts. Both of these Directors attended several of our daily Buy Cell meetings and Buying Plan meetings.

⁹ {AW/12 INQ000534870}

¹⁰ {AW/13 INQ000534883}

¹¹ {AW/14 INQ000534859}; {AW/15 INQ000534860}; {AW/16 INQ000534861}

- 3.19 We also worked with the NHSE&I CD (and others) to design and implement the move from crisis management to a new organisation structure during July 2020.
- 3.20 My role was to represent the Buy Cell at the central PMO organised daily and periodic meetings, providing information and direction on securing PPE supply according to the demand signals being received.
- 3.21 I provided updates on progress and set out what was possible and sometimes what wasn't. The pressure was on and stocks were low so these meetings could get quite 'testy'. One colleague, at the time, described one meeting as a 'knife fight in a broom cupboard'. This would typically have been about senior members of NHSE&I and DHSC demanding much from the Buy Cell and I was explaining the challenges that the buyers (and sellers) were having and any particular support we needed. I suppose I was relatively junior in terms of seniority in some of those meetings but I saw my role as saying it as it was, so that we could solve issues. This was about getting to the right solutions and offering and seeking help from outside the buy cell. My role was to make sense of that and adjust course if there was an opportunity to improve delivery and to discuss and agree that with my team.
- 3.22 On a regular basis we had a 7.30am small CTT call, the 8.30am wider PMO call, a 9.30am all team buy cell call, and a 5pm reporting call. Each team lead provided progress updates, discussed and resolved issues and we motivated each other from our home offices and back bedrooms. In addition:
- a. We prepared reports for the overall PPE Cell daily meetings, detailing our activity and the rate at which we were achieving the demand signal. We also provided input into central GCF reporting and regular updates to evolving programme wide strategy and governance meetings, for example, the long and medium range planning meetings chaired by Jonathan Marron.
 - b. There needed to be alignment with a large number of other bodies (DHSC, NHSE&I, SCCL, FCDO, Embassies directly, DiT, BEIS, CO, No.10, GCF CCO private office, CCS, and regulatory bodies such as PHE, HSE, and others). Again, this was managed through our reporting tools and attending regular meetings. The constant requests for (often the same) information every day and at all hours of the day with short deadlines was understandable but inefficient, and together with the Buy Cell PMO and the overall PPE Cell PMO we worked to try to streamline the information flow and number of 'hymn sheets'. My part in this was to chair a data session every day at around 5pm to see the day's progress which each buying channel reported

and to go through the next day's Buy Cell PMO report with my team before it was sent to Emily Lawson's PMO for compilation for the regular PPE cell 8.30am meeting.

c. One addition to the above mentioned meeting schedule was the buying plan meeting which I initiated in early May 2020 and was held every two days with each buying lead checking progress and adjusting channel priorities based on how quickly each channel was achieving its targets.¹²

d. Apart from necessary communications software, as explained below, I brought on board a PMO (Project Management Office) resource from within GCF. This small team created information powerpoints for various meetings and captured risk and issues and next steps for upward escalation to Emily Lawson. They also helped with other tasks such as providing internal reports to Gareth Rhys Williams, the GCCO, and organising other key meetings on communications and other topics.

3.23 As a Buy Cell, we also did the following:

- a. We built buying teams, resourced, inducted and trained our volunteer staff. We integrated external consultants into our efforts. My part in this included ensuring that new resources were integrated into the team through the daily stand ups, tasking consultants with specific deliverables such as building the buying plan (see below) and price benchmarking reports, and overseeing updates to the medium range planning meeting (this is where we updated the wider programme on our progress in meeting the demand signal and agreed short and medium term priorities). We also set up a call centre, with the help of CCS, to contact hundreds of potential suppliers to weed out solid offers as quickly as possible.
- b. We built IT systems where there were none. Cabinet office staff used Google IT tools and the rest of the Government used Microsoft Teams (apart from No.10 and ministers who used Zoom). Therefore it was hard to communicate on video calls and share documents so we had to deploy Microsoft teams across the whole PPE Buy Cell. Regarding offers, we were inundated with emails which were quickly transferred to a huge excel spreadsheet. We needed and therefore built a portal to receive offers that could be accessed on Gov.uk. My part in these areas was to agree that we

¹² {AW/05 INQ000534908}; {AW/18 INQ000534899}; {AW/19 INQ000534900}

needed these tools and to support my team, as required, to make sure they happened fast, which they did.

- c. We mapped processes, learnt and re-mapped and re-trained our people. We wrote, consulted and adjusted our medium to long term PPE strategy (explained below). We designed and implemented reporting systems to several programmes and wider HMG organisations.
- d. We designed stakeholder maps and programme wide organograms. This was a map of all the key people that we needed to interact with, work alongside, inform, consult or chase for actions. As I discovered key stakeholders, or my colleagues did, we fed their details into a central place to add to our stakeholder maps. We had very little to zero knowledge of who was who and we had to build this as we went along. As set out above, however, the organograms changed often as we learnt which team structures worked the best in terms of securing PPE, in a rapidly changing situation.

3.24 We staffed our teams with volunteers from across government but we did so because we had been called in by SCCL on the basis that the healthcare procurement system could not keep up. I was not made aware of extra NHS commercial resources who were experts in healthcare procurement who might have been available to me, but I would have expected them to be offered to us by the NHS if they existed. We were supplied by DHSC with some people who had healthcare experience such as Preeya Bailey and Michael Pace.

3.25 We did try to ensure that records were kept through the spreadsheets, swiftly transferring across on to Mendix, though in the fast moving situation and with the limits of the systems it was not always possible for caseworkers to record everything. Subsequently there was work, that I commissioned, by Richard James¹³ to provide assurance, in the Audiverimus report. We would expect records of conflicts of interests, for example, to be kept by the contracting party (i.e. DHSC) at the closing end of the process - that was not our role.

Different teams

¹³ {AW/20 INQ000534893}

- 3.26 As I believe the Cabinet Office has explained in its Corporate Witness Statement, we had a number of different teams within the Buy Cell.
- 3.27 *Technical assurance.* Medical grade PPE is an exact science. Our team had little or no experience in this product group and we relied on Health sector knowledge to guide and train our volunteer team as to what products should we buy, what technical standards and what testing is necessary. This included how the product should be packaged and labelled. My role was to raise the importance of this with the PPE Cell leadership teams and request urgent support in this area. Initially we had access to a small number of qualified staff at SCCL, and they then trained our military quality assurance team who were deployed around 2 April 2020¹⁴ and latterly (from mid-April) we established the decision committee which comprised regulator representatives (HSE, PHE, MHRA, BEIS etc). No goods were bought unless the Technical Assurance process was completed to the Technical Assurance team's satisfaction. The Technical Assurance team was fiercely independent and were not afraid to delay conclusion of an offer until they were fully satisfied with the technical documentation.
- 3.28 There were agreed NHS specifications for PPE equipment including for Surgical Masks (Type IIR), Respirator Masks (such as FFP2 and FFP3), Eye Protection and Gowns. These were published on the Gov.UK website from 30 March 2020 and potential suppliers were advised that all product offerings had to comply with the specifications. There were 4 successive versions of the Technical Specifications over the life of the PPE Cell. However, there were occasions where specifications changed, or we were asked to urgently buy items with new specifications. An example was when we were urgently required by Emily Lawson to buy extra masks, including type IIR and II, and the end of April, on the basis that we needed "every mask we could get"¹⁵. Policy was being formed as we were trying to buy masks, and this led to discussions amongst the different teams as to what our product list should be¹⁶. Such changes had to be managed carefully so that the teams had clear direction. In these circumstances I could see those taking policy decisions would need to know the availability of the product, so that the team had to conduct a search of offers received and/or contact suppliers we were already talking to about other products, so that we could provide a rough estimate of 'potentially' available PPE volumes to Emily and other policy decision makers. The Buy Cell tried to resolve

¹⁴ {AW/21 INQ000534837}

¹⁵ {AW/22 INQ000498280}

¹⁶ {AW/23 INQ000534855}

this issue with NHSE&I¹⁷. The Decision Committee, which was created for the regulatory bodies to resolve queries as to whether a product was appropriate, improved the situation: this Committee was consulted when we were considering whether to proceed with a product which was similar to the published specifications but varied in some way which might or might not be material for the regulators (so it was not about derogating from standard specifications but interpreting them correctly). The webform was also updated to allow for compliance documents to be uploaded on around 24 April 2020 - this was because as we learned what we needed we were able to ask for the webform to be redesigned.

- 3.29 *Supplier due diligence* (internal activity and external support). We had to perform background checks on companies and/or individuals making offers of supply. Were they a viable company, did they have experience in this market or similar markets? What quantities of the right product types were they offering? Were they the manufacturer or a party in a chain of supply? My part in this was as part of my team liaising with Dan Gillet in our central cabinet office markets and suppliers team, to set up guidance, processes and ultimately push for scale (with Dan using outside supplier support) to work through due diligence efficiently so that we could get to the best offers.¹⁸ My understanding is that, in the early days in particular, most due diligence was carried out by a separate team in Closing based on their own prioritisation. Due diligence would be carried out by the Markets and Suppliers team only on those offers which had been passed on through the first opportunities stage and so offers which had already been prioritised ahead of others on the bases that they were for priority products, high volumes of goods, and/or quick delivery time.
- 3.30 I pushed for supplier due diligence a lot, but there was always a challenge in terms of the amount that was needed and the pace at which it could be set up. We evolved this system as we went along and within three or four weeks it was much more sophisticated. However, due diligence in the broad sense was something that I expected all caseworkers to do every time they picked up the phone or read an email - to assess the credibility of the offer. The commercially trained teams we had were experienced in this, and in the scripts¹⁹ that we had they would be exploring issues relevant to due diligence in the earlier days before due diligence at the front end of the process was working more effectively (as opposed to due diligence at closing) caseworkers would carry out their

¹⁷ {AW/24 INQ000534856}

¹⁸ {AW/25 INQ000534871}; {AW/26 INQ000534881}

¹⁹ {AW/27 INQ000534839}; {AW/28 INQ000534840}

own research on Companies House and by examining the websites of suppliers and using other routes for ascertaining their credibility.

- 3.31 *Logistics.* We assisted in work to deliver priority items to Daventry logistics location based on Demand signals *as explained further below.*

Obtaining information

- 3.32 Another enabler was the obtaining of information on our suppliers and demand.
- 3.33 With regard to suppliers: PPE suppliers were mainly based overseas. Any buying project requires the gathering of deep supplier market knowledge, such as: who are the key suppliers, where are they based, what is their route to market (i.e. how do they sell their product), what factors affect their production, raw materials, specialist machinery, overseas or global regulation and legislation. My role in this was to be part of the PPE strategy team as set out below and feed in our experiences to date in these markets.
- 3.34 With regard to PPE buying strategy, we had to consider our overall strategy. What would be our strategy to approach this market and meet our demand signal? What information did we need to do this effectively? What were our measures of success? How should we organise our team to deliver this strategy and how should that change over time to achieve our goals? My part in this was to attend strategy sessions with Rob Nixon and provide insight into our experiences and results and ask further questions that the Strategy team could go and investigate. For example, are there alternative materials that can be used for a product? What predictions are available for Chinese customs regulation changes? How can we employ 'boots on the ground' quality assurance?
- 3.35 From the start of the PPE Cell until the middle of April 2020, we would agree with Emily Lawson in the 8:30 meetings what products were a priority for purchase, including what the minimum quantities were to justify pursuing an opportunity. We would see estimates from DHSC of what was known about stock, but it was generally felt within the PPE Cell that this was a best estimate. From about 18 April 2020 onwards we would build a weekly buying plan across all buying streams, of what was needed and how that need could be secured. From this point onwards, until the PPE Cell stood down in July 2020, Trusts were providing a daily return of stock figures – each Trust set a timeline for how much stock they wanted to hold
- 3.36 The buying plan, which we developed, gave each buying channel team a buying target versus a maturing demand signal including forward forecasts, and a price benchmarking report that gave periodic updates on market prices paid per product and per buying

channels. So, for example, as we came to prioritise different routes based on what we deemed to be the likelihood that goods would be delivered and the potential size of any order (see below at paragraphs 7.7), we would reduce the buying target for one route and increase them for another.

3.37 With regard to price benchmarking, we had agreed from early on that we would take the average price over the last two weeks and if the offer was more than 25% of that price we would not accept it (unless it was a really urgently needed product). This was initially developed in Closing by Mike Beard and DE&S colleagues and then the role was taken on by Efficio. To guard against inflation over time Efficio would circulate Pricing Benchmark data which showed how the price had changed over a longer period, since the beginning of the pandemic. The benchmarking charts did not show a continuing pattern of inflation. The benchmarking graphs for mid-May and for mid-June, for example, show that in general the peak price for products was in April and prices stabilised in many products after that.^{20 21} The teams would also be looking across different suppliers at any given time so that we could detect whether a price was appropriate or too high. We rejected a number of offers on the basis that the price was too high. It would however ultimately be a matter for the Closing team and the Accounting Officer in DHSC whether the price was disproportionate when placed against the need for a product - there was for example particular demand for gowns so that the prices being paid for gowns rose.

3.38 We also set out buying process maps for each buying stream, i.e. What are the chronological steps that we would follow to deliver our strategy? What process would we follow to maximise our resources to deliver the right product quality at an acceptable 'hot' market price? Where does the team interact with others to give and receive information? My role in this was to review the performance versus buying target of each buying channel (i.e. SCCL, China Buy and new opportunities/ Buy Cell). To understand what support the team needed from outside of the buy cell to clear the path to the right offers and get them through our process efficiently. For example, more technical assurance support, prioritising offers from 'known' SCCL suppliers and adjusting buying plan targets accordingly.

3.39 Priority items started as a list of products with minimum order quantities and evolved into a buying plan by sourcing stream and finally a product category specific strategy. The

²⁰ {AW/29 INQ000496719} - slide 4 onwards

²¹ {AW/30 INQ000528246} - slide 4 onwards

initial list came from a conversation I had with Emily Lawson, in lieu of having a quantified demand signal, and the list and minimum quantities were communicated to the team.²²

Summary of my role

- 3.40 The printed and TV news was an ever present reminder of the importance of what we were doing. I received emails telling me that No.10 needed progress updates at all hours of the night.
- 3.41 We discussed and agreed lead roles amongst the team to focus on specific elements. This was crisis management intended to meet immediate and urgent needs while, in parallel, we were building a plan for stabilisation which was implemented in greater and greater effect from May 2020 until end July 2020 and, I am sure, beyond.
- 3.42 Therefore at the start, to meet the urgent demand we were offer-led, not product-led. We received offers from suppliers with multiple products. Rather than deal with 1 supplier 6 times for different products, 1 person spoke to the supplier for all products.
- 3.43 However, in the background we realised we wanted to get to a specific product-led approach, to build an expert team with knowledge of the specific products/ product categories, who would build the PPE stocks for Winter 2020 and beyond. We therefore developed a strategy workstream to move to a product led team in parallel with our offer led initial procurement.²³
- 3.44 It took 99 days from 19 March 2020 (the first contact I received from DHSC) to 26 June 2020 (when a large proportion of the initial team rolled off) to set up an organisation that met the initial crisis demand, and then transition to the new product/category led structure we had been developing.
- 3.45 In summary, my job comprised 5 main roles:
- a. Acting as a Conduit between the rest of PPE Cell and the Buy Cell, particularly at the 8.30am meetings. I was told the daily priorities and fed that to Buy Cell. I also raised concerns and risks and where we needed help from outside of the buy cell.
 - b. As explained above, I provided input and worked with Rob Nixon on strategy.

²² {AW/31 INQ000534888}; {AW/32 INQ000534889}; {AW/33 INQ000506017}; {AW/34 INQ000534891}; {AW/35 INQ000534892}

²³ {AW/36 INQ000534838}

- c. I worked with Jo Newman on reshaping the Cell. Jo was managing that element and in charge of resourcing and IT infrastructure. We talked about moving to a product or category led approach quite early on. We worked with Rob Nixon and influenced the PPE strategy and agreed with Emily Lawson when was the appropriate time to do so which we implemented during July 2020.
- d. Driving the SCCL team on the existing supplier procurement. This was the easiest route to obtain technically approved PPE and the SCCL buying team was experienced in the market. We invited SCCL to take part in our regular PPE strategy sessions to maximise the use of their expertise. We assigned buy cell colleagues specifically to work alongside SCCL to ensure that SCCL progress reporting dovetailed with the buy cell format .
- e. Motivation. At the 9.30am Buy team meeting each workstream lead would talk through their area. My primary role and input was providing wider programme updates, helping to unblock issues and generally motivating a 500+ strong team. It is important to recall how much of a grind the Buy Cell was. The team were working around the clock in a new team and new role, under great pressure to achieve results.

External enablers and disablers

3.46 There were a number of external PPE Buy Cell enablers (that is, important functions or operations which were outside of our direct control), which included:

- i. PPE product list – this was up to date confirmation that we required on which categories of products we were responsible for buying. This list (distinct from the information as to how much of each product to buy) generally stayed the same throughout this time.
- ii. PPE specifications/use policy – this was key for our technical teams to use to assess the compliance of technical certification provided with new offers.
- iii. Demand signal and priority updates – this was a document that provided a forward forecast of demand for each product type which was updated on a weekly basis and provided to the PPE Buy Cell. Priority updates were daily updates of which products were particularly low on stock in the short term.
- iv. Technical diligence, including regulatory body approval – this was access to suitably qualified and experienced people to perform due diligence on

individual offers and fast access to regulatory bodies to make Technical compliance decisions on specific offers.

- v. Legal support – this was an external team overseen by GLD, that provided lawyers to assist our closing team in negotiations with potential suppliers based on standard DHSC terms.
- vi. Governance forum – this took the form of four different forums, a programme wide board, a deal specific clearance board, a decision committee for product specific regulatory technical decisions and the medium/long term planning meetings (separately there was governance and support from DHSC Finance who determined the spend envelope with HMT). This involved regular interaction with DHSC finance and I sometimes attended calls with HMT to discuss the spend envelope allocation.
- vii. DHSC procurement team (contracting and purchase orders) – DHSC undertook all final due diligence reviewing 'deal packs', they briefed and obtained decisions from the DHSC Accounting Officer and placed all purchase orders and signed all PPE contracts (and provided information to the DHSC contract management team covered below).
- viii. Logistics – picking up and bringing product to Daventry. The DHSC procurement team shared contract details with the Logistics team so that they could assist and book transport with suppliers as required. This was later enhanced with the appointment, by the Logistics team, of Uniserve, a logistics supplier. I had no structured direct interactions with this team. We did assign a CTT colleague, who is mentioned below regarding Contract Management, who acted as a point of contact between Logistics and the Buy cell.
- ix. Contract management – DHSC's procurement team was responsible for making contact with suppliers and managing promises made in the contracts. The PPE Buy Cell regularly interacted with the DHSC Contract Management team and a CTT colleague was placed into it to assist in its establishment..
- x. On the ground product audits (travel ban) – the China Buy team had used, where possible, a company to undertake 'boots on the ground' product audits. Because of worldwide travel bans, the vast majority of products were only quality checked by MHRA when they arrived at Daventry Warehouse.
- xi. HR – providing cross government resource identification and support

- xii. Comms – funnelling communication to avoid duplication of effort
- xiii. 'Novel' manufacturing or 'Make' (which later merged with the Buy cell)

3.47 During the initial crisis stage there were a number of “disablers”, or problems, that made our task harder. Some of these were picked up in the Boardman Reports.²⁴ The disablers included:

- a. IT systems immaturity - which we tackled in some part as detailed below.
- b. Lack of capacity regarding PPE technical expertise, so as to cope with the number of offers. We eventually deployed a large quality assurance team from the military who were trained by the NHS team to undertake desktop technical assurance checks on thousands of offers.
- c. Travel bans - so we could not visit factories or see products before we signed contracts. Later on in May 2020 we did sign a contract with a company to start visiting factories and checking stock of some items in China.
- d. Export bans (products and raw materials). All we could do was be aware of this when being offered a product and question the validity of the offer versus the known export bans.²⁵
- e. Chinese customs process changes which delayed shipments. This was monitored by the logistics team (outside of the Buy Cell) and the DHSC contract management team.
- f. Fraudsters falsifying product compliance certificates wasting the team's time. We would identify this during different stages of the process but mainly in the technical assurance stage.
- g. Lack of UK manufacturing base - which was why there was a parallel Make team set up to ignite UK manufacturing where possible.
- h. Due to its design SCCL is not set up for or equipped to deal with a crisis of this magnitude and so could not be scaled up to meet the demand, and their understanding of the market in terms of detailed product provenance was limited at the time.

²⁴ {AW/37 INQ000534894}; and {AW/38 INQ000055888}

²⁵ {AW/39 INQ000083726} {AW/40 INQ000330862}

- i. The availability of suitably qualified experienced people to provide guidance on how to set ourselves up and manage an emergency response. Our commercial work within the government normally happens over a period of months and years and I sensed that everyone, including me, was trying to do what was right and respond to events and eventually get in front of the demand signal but I do not remember having access to anyone that was used to these emergency situations, apart from the military logistics team.
- j. Technical support, decisions and speed of approval for equivalent products. We were offered products that were different to our normal specifications. We needed quick decisions and asked for technical and regulatory support.²⁶ There was a particular issue with the use of FFP3 masks versus FFP2 and N95's. It seems the majority of countries apart from a small handful (including the UK) used FFP2's or N95 masks and we were offered many of these which we of course declined based on regulatory advice.

4. Process on the HPL

Different routes to source PPE products

- 4. The PPE Buy Cell sourced PPE via several different routes. These routes were formed based on offer activity as set out below.

4.1 The routes by which the PPE Buy Cell sourced PPE were as follows.

- a. **Existing suppliers (SCCL)** – This was about securing supply via existing NHS suppliers contracted by SCCL. This was deemed the 'safest' route to buy PPE. However, SCCL was struggling both to obtain stock and to manage the offers by itself. Stock was scarce due to global demand. The UK's buying power seemed weak with these suppliers compared to other countries, as I gleaned from sitting in meetings with SCCL's suppliers - it felt like getting blood out of a stone with many of them. Furthermore, beyond the SCCL framework suppliers, there was a list of wholesalers that supplied other NHS trusts. The NHS Trusts depended on the big wholesalers to supply them and relationships with original manufacturers did not seem to be in place. This was apparent from feedback I heard from my colleagues that attended meetings with the NHS Trust buying teams. The problem was that at the time of the pandemic, the wholesalers who had supplied the NHS Trusts had limited (if any) stock, so the NHS Trusts became more reliant on the central

²⁶ {AW/36 INQ000534838}

purchasing system. It was indeed as a result of these difficulties that Jin Sahota of SCCL had said that we needed a parallel supply chain and some members of the SCCL team were seconded to the buy cell. The SCCL therefore remained the foundation route but with everything else built on top. Despite these difficulties, we placed great emphasis on the SCCL route, since it involved established suppliers with proven relationships with the NHS.

- b. **New suppliers** – This came in the form of various channels:
 - a. **Beijing Embassy** – This involved securing stock locally in China via our Embassy teams. Relationships between DHSC and the Beijing Embassy had already been built before we arrived at DHSC to set up the Buy Cell. Deloitte was deployed by DHSC to work on this “China Buy” route. The Embassy staff worked around the clock and provided links to either original manufacturers or intermediaries. I also deployed a lead onto the team. Since so much PPE was manufactured in China, this was also a particularly important route.
 - b. **Public Portal** – This was the gov.uk portal that we set up to receive offers from the public/new suppliers. Over time we saw that the yield from this channel was around 1% conversion rate of offers to contracts. Therefore, it was labour intensive (labour here being the time taken to review and respond to each offer) with a poorer return. The poor return is not surprising as we were approached by not only genuine suppliers but also fraudsters, and many of the genuine suppliers were in fact unable to supply appropriate quantities or quality of PPE. The approach of asking the wider public to help created a big problem. It is not something we would have supported and I do not know who decided to do it. Of course, we were in a novel situation and did not know for sure which routes would be most successful - when we created the portal and published it, our focus was on getting the right offers. In the first days after the webform was produced (prior to the HPL being created), much more resource went initially to processing portal offers than were on Hannah Bolton’s team, and even after Max was assigned to it we always assumed that the portal team would be a much bigger team than the HPL. However, after the publicised requests for help, by the end of April/early May, we found that most of our resources on this route were being expended working on offers which were not in fact taken up, even though we continued to increase resources and restructure ways of working to try to make the work more effective. Furthermore, as a team we were not experts in this market,

therefore from a commercial perspective we did not have enough information to quickly shut down offers which were not viable. By the end of June we were finally able to carve through the offers. Overall, it was hard to find decent sized companies and decent sized offers in the haystack of the Public Portal. For example, I was aware from people working on the portal of offers to provide handmade PPE. I have set out below the steps that we took to try to find the good offers that were introduced by this route. As set out below, the suppliers on this route needed handling as well as those on the High Priority Lane (described in the sub-paragraph below). They would chase for updates and escalate complaints to MPs and other senior personnel.

- c. **High Priority Lane** – these were largely referrals via private offices and senior officials. Most referrers forwarded emails with what appeared to be little or no prior knowledge of product provenance. I will address how this route arose more below. This was a much smaller team than the general Opportunities teams. From 21st March to 23rd June there were 38 team members assigned as HPL caseworkers, noting that several of these joined and left over time. So on average, it was a lower number. Outside of the HPL there were 748 other team members²⁷ and of those 369 were supplier-facing working on new offers from non-HPL referrals.²⁸ In the early weeks the number of staff on the HPL were in single figures. Staff joined and left the HPL over time. It is true that there were also many more offers on the general Opportunities route (though these were cut down in late April as set out below at paragraph 8.11) That said, it would not be correct to just consider how many cases there were per person on each route. That is because the amount of work that caseworkers on the HPL needed to do would not necessarily be the same per case as the amount of work that caseworkers on the general Opportunities team did. For example, many of the cases on the general Opportunities team were really poor and so caseworkers would not do any significant work on them - the number of good offers which they were actively following up would have been much smaller.
- d. **Donations** – we received donations in a similar way to High Priority Lane referrals and of course we were grateful for these items.

²⁷ {AW/42 INQ000534913}

²⁸ {AW43 INQ000477253}

4.2 There were other channels that our team did not directly manage but later on (June/July) we included their numbers as part of our reporting in order to make it clearer in one document how much PPE we were buying and how much we still needed:

a. **Make cell** – this was either novel manufacturing i.e. manufacturers who changed their production processes to make PPE instead of their ‘normal’ product or a complete set up of new manufacturing capacity. Of course everything that was made also had to be bought.

b. **NHS Trust/Devolved Administration (DA) deals** – We were not initially aware of all the suppliers that individual trusts had. We heard reports of the UK bidding against itself on the same deals. For example I understand from some of our caseworkers who were talking to suppliers that one supplier/intermediary would be in conversation with a local NHS trust and they would also be in contact separately with the Buy Cell regarding the same product offering. I do not blame the Trusts for trying to secure stock directly. At the beginning crisis stage, our brand-new UK wide system was untested. We did introduce some regular comms and had meetings between the NHS Trusts/DAs to try to reduce and remove duplication of effort. We started to have regular meetings with the heads of buying for NHS Trusts. My team attended these and it was mostly information sharing. I do not know if it changed their buying behaviour and whether they relinquished any possible deals made locally. The lack of a centralised NHS supplier list meant we could not prioritise ‘existing or known supplier’ status, albeit there were some attempts to do so. In particular, we gathered together the list of NHS suppliers to NHS Trusts (outside of the SCCL list of suppliers). We used this to scan through our offers list. What we found is that many of these suppliers were wholesalers, not manufacturers, and were also either low on or had no stock.²⁹

4.3 We did not originally use all the above labels/team names, and indeed I am not sure that the HPL was ever called the “High Priority Lane”. Initially, all new offers (channel (3) were handled by what we called the sourcing team. This then became the new opportunities channel, with the HPL as a subset of new opportunities, called High Priority appraisals.

²⁹ {AW/44 INQ000534853} {AW/45 INQ000534854}

- 4.4 New opportunities were received via the public portal (when launched) and HPL offers were received by email. Sometimes we received duplications of an HPL offer which came both via a senior internal person and the public portal.

Working with suppliers on the Opportunities route

- 4.5 Although I was not directly working on the Opportunities route, I have been asked to address how caseworkers were expected to engage with suppliers. The general approach was set out in written briefings provided to caseworkers³⁰. When suppliers came into the Opportunities route, either via the portal route or via the HPL, a caseworker would be assigned to an opportunity by senior civil servants in the PPE Cell. They would then contact the supplier and have a detailed conversation to confirm the offer and to ascertain the key details of what was being offered (including pricing and lead times and rough orders of magnitude).
- 4.6 The majority of the potential suppliers dealt with by the Opportunities Team were intermediaries, distributors or agents who claimed to have commercial ties with (predominantly) Chinese manufacturers. The caseworker would also carry out research into the identity of the manufacturer where it was available. It was not uncommon for opportunities to be presented multiple times by different supplier entities. One of the issues which we were aware of was that we were usually dealing with intermediaries while the China team in the UK and Beijing was also trying to negotiate directly with the manufacturers. It was important to ensure, where possible, that the Opportunities Team was not competing against the China team for the same production capacity or supply.
- 4.7 The caseworker would request the necessary technical data. This would include the product specification and certificates of conformity and where possible time stamped photographs of the product. The caseworker would ensure the supplier had sight of the relevant NHS Specification for the product or products being offered.
- 4.8 Once that technical pack had been received, the caseworker would pass the information to Technical Assurance to ensure that the product met the specification required. Often there would be questions or concerns raised by Technical Assurance and the caseworker would raise, and seek to resolve, these with the potential supplier. The opportunity would be taken no further if it was clear that the potential supplier would be unlikely ever be able to prove adequate technical documentary evidence or if it became apparent that the product would not meet the necessary technical specification. Only if

³⁰ {AW/46 INQ000534942}

the Technical Assurance team were content would the opportunity be passed on to the “Closing Team”.

- 4.9 The above process flow was the same for all channels of the buy cell (HPL and non-HPL offers) and so it was anticipated that there would be communication with and handling of suppliers whichever route they had entered by.³¹
- 4.10 Case workers were also briefed to encourage offers of any kind of PPE the supplier could find, whether the case worker was on the HPL team or a different Opportunities Team. The documentation they were provided with was intended to produce a consistency and fairness of approach putting each supplier through the same process.

5. Establishment of the High Priority Lane

- 5.1 In producing this statement, I have been asked to specifically address the establishment of the HPL.
- 5.2 What is now known as the High Priority Lane came about as an evolution of offers being received via email before 21 March 2020 from various parts of government, usually at senior civil servant up to Ministerial level.
- 5.3 When we were assigned to assist DHSC on 21 March 2020, we were tasked with finding new supplies of PPE. When we first started, there were already a number of emails that had come to DHSC or through the GCF mailbox from Ministers or senior civil servants. These were the only actual offers we had (until we received a tranche of offers from SCCL asking us to follow up).
- 5.4 We were still building up and developing a wider system to procure PPE.
- 5.5 It was being widely publicised that there was a need for PPE and in order to cope with the resulting offers we launched a survey monkey on a gov.uk website on 23 March. This was superseded by a webform (the Portal) on 27 March 2020. But at the same time, we could not ignore the offers that had already been received. To the contrary, we were quickly pursuing all the leads that we could. Many of these had come via senior civil servants and ministers, because that was the only initial route as set out above. Examples taken from Saturday 28 March 2020, as sent to me, and set out here so that the Inquiry can understand the context and the potential credibility/attractiveness of these offers, include the following:

³¹ {AW/47 INQ000534821}

- a. The introduction of Virtual Clinic via Dr Ian Campbell, head of Innovate UK (the UK's innovation agency)³², who were offering millions of facemasks and other PPE on a daily basis;
 - b. Offers communicated by the Head of Procurement for the Africa Hub in the FCO³³.
 - c. An offer of 20 million facemasks which had come via Matt Hancock MP - the offer needed to be picked up within 24 hours or would be sold overseas³⁴. The company was linked to the former UK ambassador to the United States, and had contacted Matt Hancock after apparently receiving his email address from Robert Peston.
 - d. A potential donation of PPE from Astrazeneca.³⁵
- 5.6 For the first few days we put some of the resources we had on picking up the phones and contacting companies who had already provided offers.
- 5.7 At this stage, there was no central VIP/HPL mailbox for offers to be received. (I refer to this as the "pre-HPL" team below.)
- 5.8 The team grew and we began to receive offers from outside of government via the survey monkey and latterly the webform, but we still had offers coming to us from across government via email. This team became known as "High Priority & VIP" as set out in a structure chart as at 28 March 2020 (issued, as far as I can see, on 30 March 2020³⁶). I do not remember being part of any discussion about its name at this time.
- 5.9 By this stage therefore two routes had developed into the New Buy team, with the creation first of the mailbox, used by ministers and senior officials, and then the temporary survey monkey, later replaced by the webform. The first of these was being dealt with by one of the Baringa consultants and a very small further team, and the other by the rest of the caseworkers at that time. Even from this early stage, a number of the potential suppliers coming through the former route were unlikely to use the latter route, perhaps because of the size of their company. In any event, requiring them to fill out the webform when they had contacted us with details about the PPE they could offer (often

³² {AW/48 INQ000534817}

³³ {AW/49 INQ000534824}

³⁴ {AW/50 INQ000534818}

³⁵ {AW/51 INQ000534819}

³⁶ {AW/52 INQ000534873}; {AW/42 INQ000534913}

urgently) would lead to delay without significant gain to us. It remained the case as time went on that not all suppliers filled out the webform, such as some of those coming through the HPL.

5.10 Given the urgency at the time, it was also impracticable to answer emails with an automatic response suggesting that suppliers should await contact. One example I recollect was on 26 March 2020 when a member of the House of Lords received my automatic response, which would have said at the time: "If your email is regarding supplying Personal Protective Equipment, we will require you to complete our survey in order for us to manage your offer effectively: www.smartsurvey.co.uk/s/L5B32S/. We will then contact you. For all other emails, please be aware I may not be monitoring my inbox at all times and I will endeavour to reply at the earliest opportunity." Within minutes the fact that she had received an automatic response was escalated to Lord Bethell.³⁷

5.11 I had met with Lord Agnew on 24 March 2020 and my meeting notes included a request by Lord Agnew which is reproduced below:³⁸

"Another action I took was to advise Lord Agnew if we could fast track ministerial/senior's emails regarding offers of help that they were sending through. We have developed a public proforma - very simple, that automatically populates our database. We may change that by providing a field that alerts us to a 'ministerial/seniors link' but we need to do this carefully so as to avoid ministers' inboxes being clogged up with scammers claiming association. In the meantime, and for Lord Agnew please send 'hot' leads to myself, Sarah.Ashley@cabinetoffice.gov.uk and hannah.bolton@cabinetoffice.gov.uk".

5.12 Lord Agnew was Minister of State at the Cabinet Office and Her Majesty's Treasury. He was the keyholder for all major government procurement related spend and the GCCO's boss of sorts. I understood his request to be about handling and engagement.. He was aware of the need to process good offers quickly and part of this conversation, I recollect, was about improving how we handled potentially good HPL offers from ministers and seniors. Lord Agnew was not, in my understanding, suggesting that contracts should be given to friends of the then governing party over and above others - his role in government was to ensure that controls were in place in spending and he was known to be rigorous about standards. Rather, he believed that we needed to be able to quickly respond to the credible offers that were coming in through senior people (he had himself forwarded on a number of promising offers). I did not think he was suggesting that such

³⁷ {AW/54 INQ000534880}; {AW/55 INQ000534879}

³⁸ {AW/56 INQ000534911}

offers should be fast tracked through the whole process, or that we should not be dealing swiftly with high value offers coming through other routes³⁹. It should also go without saying that we were only ever intending to progress worthwhile offers - we were all desperate to obtain PPE

- 5.13 As the number of HPL emails grew for both potential PPE deals and donations in late March 2020, we formed a larger team to assess these opportunities. The number of offers received was increasing across all channels including the HPL. As described at paragraph 3.3 above my colleague Jo Newman, was responsible for resourcing and although I can't remember the specific conversation, we all agreed that we needed to grow our team size across the whole organisation and fast. The PPE cell (of which we were a part) were starting to understand the likely demand for PPE (and stock situations) and we knew that our buying targets, in terms of the quantity of PPE needed, were increasing.
- 5.14 Janette Gibbs appointed Max Cairnduff as the lead of this area. Janette as the acting CTT Director would have the final say on which CTT resources were deployed to client departments. I understand that Janette also spoke to Jo Newman.
- 5.15 There was noise building up from various sources as to how long it was taking us to get to each offer and start the initial triage process. It was raised at 8.30 meetings, when Patrick Leahy from NHSE&I would update us on press coverage, and DHSC senior personnel would chase for updates⁴⁰ (and see also an email from Emily Lawson⁴¹ - the discussions with Emily Lawson and emails related to this subject were about handling and engagement - and the meeting I had with Lord Agnew on 24 March 2020 (see paragraph 5.11 above). The PPE shortage in hospitals was also on the news each night. It was a war on two fronts: the noise from within government on the one hand, and the battle to get PPE on the other.
- 5.16 The powerpoint slides circulated on 1 April 2020 recorded discussions from the 8:30 call with Emily Lawson the previous day (31 March 2020). They stated "Flow chart requested for VIP offers. Hannah Bolton's team to be bolstered."⁴² This was a reference to the VIP

³⁹ {AW/57 INQ000534842}; {AW/58 INQ000534843}

⁴⁰ {AW/59 INQ000534825}, slide 5, "Steve Oldfield asks why so many suppliers with offers haven't been contacted"

⁴¹ {AW/60 INQ000534912}

⁴² {AW/61 INQ000534687, slide 3}

and High Priority Team and will have recorded decisions taken by Emily on the call. Max joined the VIP team on 1 April 2020.

- 5.17 The powerpoint for our daily Buy Cell morning call at 9.30am on 2 April 2020 records that one of the issues we were encountering, and which had been raised on 1 April 2020, was that communications with senior “VIPs” regarding offers was “Time consuming and distracts Opportunities Team's focus from good sources”. The mitigation action proposed, for Max as he was leading a team “to manage VIPs”, was to use a mailbox.⁴³ This reference to ‘time-consuming communications’ from a note at the time reflects what I remember about the circumstances in which the HPL developed.
- 5.18 I was copied into an email from Jo Newman on 1 April 2020 informing me that the mailbox had been set up⁴⁴. I was subsequently copied into an email of 6 April 2020, communicating the HPL and its purposes to the private offices. Aside from the mention at the morning call in the paragraph above, I do not specifically remember being aware in advance of the operational detail of the plan to establish the HPL mailbox but it made sense as it enabled a growing team to access one mailbox rather than offers being stuck in an individual mailbox.
- 5.19 Max was a good choice to lead the HPL. Apart from his deep commercial experience, he had been in government for a while so was used to dealing with senior officials and ministers.
- 5.20 With regards the name of the team, I don’t recall having a specific conversation with anybody on what we should call these types of offers. I think it was initially called the “High Priority and VIP” team and later “the High Priority” team in part because based on some of the emails we had received it was clear that senior people from across government had contacts and the attention of some senior people in large UK and multinational businesses that could possibly provide large amounts of PPE.
- 5.21 I suspect we also called it the high priority appraisal route as a way to calm down the noise. I also suspect a perceived poor response to offers was building up as a reflection of our effectiveness and speed. We were moving as fast as possible in the situation we were in.
- 5.22 On 3 April 2020 the slides were circulated reflecting the discussions from 2 April 2020. I note that at slide 12 the risk that is identified is “Could miss out on offers from suppliers

⁴³ {AW/62 INQ000533339, slide 12}.

⁴⁴ {AW/63 INQ000498242}

that are offering large quantities but are unwilling to complete the survey". The mitigation identified was "consider whether high priority mailbox is use [sic] as a place for high volume offers. Thresholds TBC"⁴⁵. This is consistent with my recollection that there were suppliers who did not want to complete the survey at the time, either because they were not aware of it or because they did not want to - they would generally come through the HPL after having contacted MPs or senior civil servants. In the event Max decided that the HPL should not take on general high volume offers because they were not resourced to do so. I have explained how additional resources were given to the general opportunities route throughout April below.

5.23 Nonetheless, we could already start to see the varying quality, quantity and types of offers being received via the webforms and at this stage it was our strategy to 'keep many hooks out and over the boat' until we could establish which routes to market would be the most effective. The HPL was dealing with significant, credible offers from major companies (such as Amazon, Unilever, Bunzl and others) who had come into contact with the government via ministers and senior officials. It was not only the size of the company that mattered, but the credibility of being able to provide actual PPE in the crisis, and again individuals such as Lords Agnew and Feldman and senior officials (particularly in DHSC and the NHS) had knowledge of credible companies, which were coming through the HPL. Had the HPL not been providing a significant number of good offers we might well not have kept it.

5.24 This along with the receipt and the need for handling of donations were further reasons to keep and eventually bolster the HPL.

5.25 I talk about the prioritisation between different streams further in my statement below at 8.2-8.7.

6. Operation and supervision of the HPL

6.1 I monitored the collective progress of all New Opportunities teams against the maturing/growing demand signals through daily reporting.

6.2 As can be seen from the above, the HPL was a subset of 'new opportunities' supply. Within the PPE buy cell organisation structure, Max was the lead on the HPL. I was the overall Buy Cell lead (with cover and sharing arrangements as described). CTT were on

⁴⁵ {AW/64 INQ000534691}

an assignment. I was not Max's line manager but for the purposes of this DHSC assignment he was reporting to me. I was not working on the HPL and I was never responsible for any individual deals or involved in closing on any deals.

- 6.3 As I explained above, I did not go to a formal meeting and decide whether Max should set up a dedicated HPL mailbox. It made sense to me. The HPL mailbox was designed to be about 'handling' and getting the best offers, based on our priority products list, minimum quantities, company due diligence, technical certification compliance and contractual arrangements.
- 6.4 I also didn't have 1-2-1's with Max where we went through individual deals and made decisions. We had built a process flow with guidance notes. Max is a senior commercial professional and I decided that greater involvement was not necessary.
- 6.5 All of our buying channels had a handling element. It wasn't unique to the HPL. We had a team handling the China channel, we had a vast team handling the new opportunities/public portal channel, SCCL had a dedicated buying team to handle existing suppliers.
- 6.6 Each buying channel had processes to try and prevent corruption, fraud, and poor buying decisions. Scrutiny is critical and I am aware that a recent JR ruled that the HPL breached the rules of equal treatment even when using emergency procurement regulation 32(c).⁴⁶ So there are lessons to be learned. However, despite this ruling, the High Court noted that in all likelihood these suppliers would have been treated as priority offers because of the substantial volume of PPE they could supply and it is likely that they would have been awarded these contracts or, as in the words of the High Court, *"the outcome would not be substantially different and the contracts would have been awarded"*.
- 6.7 My job and the job of my team was to secure life saving PPE equipment under emergency provisions in the procurement legislation and the HPL and Max and his team were about getting this done regardless of whose phone book or email address an offer came via.
- 6.8 The HPL team was rolled off on 26 June 2020, and we transferred what we thought were the best remaining offers to the new category or product teams.

⁴⁶ {AW/65 INQ000534910}

7. The process on the HPL

7.1 As set out below, as I understood it, the process that HPL offers went through was the same as any other offer, other than the initial contact by the HPL team.

7.2 In the course of creating this statement I have been provided with a document entitled C-19 PPE - Day 19 Learnings Capture, Strategy Implications and Action Plan⁴⁷ and another entitled "Covid-19 Personal Protective Equipment (PPE) E2E Process Maps"⁴⁸. I do not recollect the first of these documents. The second document I believe was circulated by Richard James - I would have seen this at the time but not read it closely. I note that the former document described the HPL as being a "'faster' track contact team", and the latter states that "opportunities from high profile people require an expedited response".

a. By way of clarification, I do not independently recollect the first of these documents and did not know its provenance when I first drafted this statement. However, I have subsequently researched further and in fact it was circulated by me to Rob Nixon and Jo Newman on 9 April 2020, and I believe that I was the author on one of my days off.⁴⁹ The document therefore set out thoughts I had about the process at that stage. In creating this document, I believe that I was trying to work out how all different areas of the Buy Cell could be more effective, though as I say above, I have no independent recollection of drafting it at this time.

7.3 I have previously stated that these were document prepared by others, I believed to include an audience outside of the Buy Cell and that I cannot comment on the intent behind them. That remains the case for the second document. I do acknowledge that there was the intent for a fast initial *response* to those on the HPL, though I have been asked about and cannot remember a 24-hour target for that response at the time and do not think I can have viewed it as an important part of the process. I also do not think that it would have been unusual for caseworkers to not pick up cases that quickly, if they were already busy with really good other cases. As set out below the time taken to go through the process would depend on the type of product, volume and so on, as well as the responsiveness through Technical Assurance and closing. It might also depend on whether there was a backlog on the HPL or the non-HPL route. I note that the former document also says of the general (public portal) opportunities route that the desired

⁴⁷ {AW/66 INQ000534849}

⁴⁸ {AW/67 INQ000534702}

⁴⁹ {AW/67A INQ000582521 and AW/67B INQ000582522}

outcome for that route was “Focussed prioritisation triage criteria, smash through best leads rapidly to conversion or reject, wheat from the chaff quickly, live easy status reporting”, which does reflect how we were wanting to go swiftly through the general route offers as well at this time.

- 7.4 My understanding however was that we were expecting that the handling of those offers being dealt with on the HPL was to be given full care in terms of feedback and communication - in a way that could not be guaranteed to all the suppliers in the general lane. This was particularly the case when it came to turning down offers, in that they had to be refused in a way which did not create further noise which would delay our caseworkers from working on new cases. Put another way, it meant prioritising engagement not handing out contracts. To be clear, all teams were always charged with prioritising the most promising offers in terms of product type most in demand and potential quantities on offer, and all teams were expected to manage promising offers through the process. It is true that cases on the HPL were expected to come under greater pressure from senior people. We resourced the team with experienced staff to handle this (because we believed - rightly - that some of these offers would be good ones). It is normal work for commercial professionals to remain objective and to absorb pressure from more senior members of the government, and we are trained to put this out of our minds when it came to buying decisions. It was never my view that a deal on the HPL should go quicker because of where it came from, but only that it should go quicker because it was the right kind of deal to go quicker.
- 7.5 As far as I am aware we did not report the figures of PPE obtained from the HPL separately to the rest of the New Opportunities teams, because it was a subset of the New Opportunities Teams.
- 7.6 In terms of advantages over other streams I will first talk about the advantage to the buy cell of achieving our goal to meet demand. I will then talk about the advantage to those referring offers to the HPL and the suppliers of those offers. The advantage for the Buy Cell, as I/we saw it, was getting access to potentially large credible PPE deals. Our basis for expanding any route was to get PPE more effectively, and the quality and credibility of the offers on the HPL was looking good at the beginning and continued to look good. I do understand the perceived advantage from a procurement process perspective (i.e. Ministers and senior officials using this route for the inappropriate gain of a third party). As I set out above, there was increased ‘handling’ on the HPL which may have been better than other routes, but that was for a rational end, to ensure that there was less disruption to the system. I cannot say that every case on the HPL was handled better

than on other channels, but it is likely that if you were a supplier with a low quality offer on the general route (i.e. you were offering products we were not after, or volumes or lead times which were not attractive) then you would have had less contact than on the HPL. Nonetheless, each and every buying channel undertook intense handling and engagement, especially with offers that seemed very promising.

- 7.7 Following my reviews of the numerous reports regarding PPE procurement, for me, the commercial and legal point is that it is not possible to apply all peacetime fair and equal treatment principles during an emergency procurement situation. For example, it was not possible to run a supplier questionnaire (pre-qualification) process or a tender exercise for every offer received at exactly the same time giving all parties the same response time. The market was moving too fast even for our fastest 'peacetime' procurement process. Therefore, we built a buying process that delivered (more than) the PPE we demanded with, we believed, checks and balances built in at every stage. It could never be failsafe (see paragraph 3.47 on disablers) and we also built in contingency to our demand signals.
- 7.8 I have been asked what scrutiny we applied to ensure that the process was wholly even between the two routes into the Opportunities lane. As above, I was not engaged in the close management of either route. It may however be important to stress how difficult the situation was, and how important it was to get PPE, and how different it was from normal 'peace-time' processes. All of this was unique. Through the experience of a commercially trained and experienced team we designed buying processes to deal with our necessarily adjusted risk appetite and we refined, republished and re-trained these processes as we learned what worked and what didn't work in terms of meeting our demand signals with the right PPE kit. We also introduced technology to systemise these changes wherever possible. When we shifted our processes, we improved the process through one route or another (China Buy, SCCL, HPL or non-HPL). We would not have done this in a traditional procurement exercise but it flowed from urgently looking for a scarce resource amongst many low quality offers.
- 7.9 Also as set out below, the HPL team also struggled with the number of offers it had to review. Proportionately, per caseworker, the HPL had a large number of offers.
- 7.10 I am aware that proportionately more deals on the HPL were awarded contracts than those on the non-HPL, and that a large amount of the PPE ultimately bought came through the HPL. It was my experience at the time that more of the deals on the HPL met the prioritisation criteria (see paragraph 8.2 below) for going forward through the process.

8. Relationship between the routes

- 8.1 It was not easy for us to predict in early April 2020 which route would be most successful in providing PPE, though I should say that it was not important to me where we received offers from, so long as we obtained the right PPE.
- 8.2 From early April, we prioritised, across all the opportunities routes, based on volume offered and minimum quantities. This developed later on to include the size of suppliers (that is, the number of employees that the supplier had), though caseworkers had discretion to disregard the company size parameter if they thought an offer was sufficiently attractive. On 31 March 2020, for example, I set out that offers should be sorted by (i) whether they were for a high demand product group and then (ii) by minimum quantities for each product group - masks having a minimum quantity of 100,000, gowns of 5,000.⁵⁰ The minimum volumes to trigger prioritisation increased over time.
- 8.3 Caseworkers on the new opportunities teams were told to focus on priority flagged offers for the category of PPE which was identified as the focus for that day.⁵¹ The priority flag was also used for HPL offers, albeit since those offers were already being dealt with by a separate HPL opportunities team, that was effectively redundant and offers on the HPL were prioritised internally in the same way as offers on the non-HPL were. The flag did not mean that they were prioritised over non-HPL offers.
- 8.4 The Technical Assurance team would likewise prioritise good offers over poor ones, in particular high volumes of in-demand products. They would do this whatever the source of the referral.
- 8.5 At first we prioritised all routes, on the above basis, as we did not know which would be the most effective.
- 8.6 However, within a few weeks of data and the formation of the Buying Plan, we began to prioritise the different routes.
- 8.7 The prioritisation was driven firstly by product type, namely the product with the largest gaps between demand and supply. We then prioritised across each buying channel – based on risk profile and the potential size of any order. The order of buying channel priority was (1) SCCL, (2) China, and then (3) the public portal/new suppliers. When

⁵⁰ {AW/68 INQ000534872}

⁵¹ {AW/69 INQ000562475}

'Make' began to deliver UK produced products, this was prioritised equally with SCCL. This meant that we would set targets for each buying channel in accordance with their priority - it was distinct from the prioritisation of individual offers according to their quality within channels as set out above.

- 8.8 On 16 April 2020 we were provided with demand figures which showed just how far behind the country was in meeting the requirements for the NHS⁵². These showed that we only had a few days of stock in many items. I have been provided for the purposes of drafting this statement with a draft presentation in November 2020⁵³. Although I was no longer part of PPE procurement at this stage, I do note that at slide 10 there is a graph setting out the supply versus demand for PPE from mid-March 2020 onwards. In mid-April it is said "as stockpiles dry up, supply again falls - purchasing unable to meet demand". The demand enormously outstripped supply until demand began to fall in May. This accords with my recollection that mid-April onwards was a particularly pressured time.
- 8.9 From 18 April 2020 we started to build the weekly buying plan across all buying streams.
- 8.10 At the same time we were seeking to increase our deals with China Buy. I held a strategy call in relation to this on 17 April⁵⁴ where I recorded that until that point we had been making crucial, short term deals. From that point we were looking for longer term (3-6 month deals). As far as I am aware, this view was shared at the time across the Buy Cell. For example, I received an email from Max Cairnduff on 20 April 2020 stating that "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." He also 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." Far from prioritising VIP offers, our strategic aim remained to establish long running contracts with reliable suppliers who had guaranteed access to factories for manufacture.⁵⁵ These were ideally in China, where the Embassy had business contacts and relationships of trust, and even a chance that the goods could be inspected before contract. There were however few contracts available in China,

⁵² {AW/70 INQ000534852}

⁵³ {AW/71 INQ000528237}

⁵⁴ {AW/72 INQ000534851}

⁵⁵ {AW/73 INQ000534713}

since the whole world was seeking them (or in other manufacturing nations, such as Malaysia and Indonesia).

8.11 I was aware that a number of the routes were struggling with the number of offers and had a backlog to process, in particular the Opportunities teams (both those coming through the portal normally and those routed through the HPL). We gave particular resource to the general portal route in order to try to ensure that it was able to reduce its backlog. My recollection is that some cases on the general Opportunities route were taking weeks to be dealt with, though others were dealt with swiftly. The Crown Commercial Service was enlisted to work through the backlog and they contracted a company called Arvato to work through opportunities. From 23 April 2020 Arvato contacted the backlog of suppliers and also dealt with new offers coming through. The original backlog was 5,500 cases but by 29 April 2020 Arvato had closed those plus more, with about two thirds not being progressed (because the supplier had not responded to attempts to contact, their offer did not meet requirements, or because they had not left contact details), and the others being returned to the Opportunities team.⁵⁶ The call centre continued to pick up new offers and deal with them each day until 5 June 2020 (as an indication, over this period about 175 new offers were being received every day on the Opportunities route⁵⁷). By 12 May 2020 the total number of offers that Arvato had closed was in the region of 8000, which reflected the ongoing work they were doing to assist the general Opportunities caseworkers in sifting through new offers which were coming in.⁵⁸

8.12 Despite the fact that we knew that most of the cases in the backlog were of low quality (as was ultimately proved to be the case), and despite the fact that there was criticism of us for not having sifted through all of the backlog earlier (in that it was believed that this showed we were not processing enough orders), it is notable that even this process carried out by Arvato was in itself a difficult political decision which we needed to get signed off by Emily Lawson, since as above at the end of April 2020 there was still stories that we were running out of PPE, and the communications aspect of this - for example drafting the right rejection letters - were important to DHSC, as otherwise it was thought that the rejected suppliers might escalate their complaints to MPs and in the press, which might create more noise.

⁵⁶ {AW/74 INQ000534858}

⁵⁷ {AW/75 INQ000534862-SLIDE 3}

⁵⁸ {AW/76 INQ000534857}

- 8.13 In the meantime, I was aware that the HPL was also struggling with a backlog. On 25 April 2020 Max Cairnduff responded to a request that I had made that he provide me with his expectations for the development of the HPL. He referred to the backlog at the time, and said that “right now we’re so swamped that we end up spending most of our time fire fighting”. On the same day he copied me in to an email where he recognised that the HPL had come to receive cases from a number of different routes - including, for example “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)”. The plan from Max, as he explained in his first email to me, and as a result of the backlog, was to narrow the scope of the HPL back down to “use the VIP team primarily as a means to reduce noise in the system, in part by briefing ministerial offices and in part by acting as an escalation route for suppliers who are unhappy with their treatment elsewhere.” It was intended that DE&S from the MOD would be responsible for allocating cases to the HPL or the wider sourcing team.” I believe that these emails reflect steps that we were taking having recognised that the HPL was also unable to progress offers speedily.
- 8.14 Nonetheless, throughout this period the bottleneck tended to be in Technical Assurance, which was a complex process. I exhibit as an example of the daily updates the briefing for 16 May 2020, which at slide 2 reflects the numbers of offers in each stage of the process⁵⁹. By 27 April 2020 over 1000 offers were being considered by Technical Assurance. On 27 April 2020 I was copied in to correspondence between the senior members of the Buy Cell remarking on the low number of purchase orders that were being achieved (it was thought only 20 per day at that time)⁶⁰. There was a focus on bulk China orders at the time, as above. This email remarked on the length of time it would take to work through the high priority offers at the rate then being achieved: it is my understanding that ‘high priority’ meant offers which had been prioritised on the basis of their quality (the type of product, the volume and delivery speed) rather than HPL offers. Again, resource continued to be given to the Technical Assurance team to assist them with the backlog.
- 8.15 At this time Chris Hall was also developing the Rapid Response Teams in order to seek another way to get deals done swiftly. Resources were also given to that work.

⁵⁹ {AW/77 INQ000496937}

⁶⁰ {AW/78 INQ000534850}

- 8.16 It was not therefore the case from my perspective that resources were dedicated to the HPL in order to ensure that those deals were dealt with most swiftly. To the contrary, as set out above, the HPL struggled with the resource it had (as did other teams, in this highly pressured environment), and other routes were the forefront of our focus.
- 8.17 It would, in my view, be incorrect to simply look at things that the HPL did to make themselves more effective and treat that as evidence that cases on the HPL were advantaged over others, without understanding that other teams were also given assistance to become more effective. The China Buy team, for example, was resourced to work 24 hours a day on fewer cases than the HPL. They and SCCL were priority targets over New Buy (i.e. the HPL and non-HPL teams). For its part, the non-HPL route received a lot of resource including, for example, the Arvato call handlers described above, who worked to remove particularly low quality offers/non-responsive offerors. Each team worked differently depending on the type of offer they received; we shifted our limited resources to try to make sure we got to the best offers in the most efficient way possible.
- 8.18 That said, it remains the case that the New Buy team (which includes both those who came in through the HPL and general opportunities route) purchased significantly more PPE than the China Buy team did. That, to my mind, reflects the number of 'fishing lines' that were put out over the boat by the New Buy team, and the scarcity of deals available in China itself. Compared to both China Buy and SCCL, there were far more offers on the New Buy route, and far more people chasing them. Further, Chinese manufacturers may have been more willing to deal with intermediaries than the British government, since there would be more of a spotlight on the quality of the PPE being provided if the relationship were direct and so reputational damage (the Chinese government a few weeks into the pandemic increased its checks over PPE that was being exported, perhaps for this reason). It therefore made sense to me that although securing long-term relationships with Chinese factories was the priority in April and May 2020, in the short term very few of these could be in fact obtained and so we were reliant on whatever offers were emerging through the New Buy opportunities, even though these were not standard traditional suppliers of PPE. Indeed, that was why we had been brought in in the first place - because the ability to purchase via SCCL or from China had collapsed. It does not therefore surprise me that in the end more was spent through the New Opportunities route.
- 8.19 At this time (end April 2020) we were also reinforcing our strategy to purchase from a small number of large suppliers. As a presentation to me on 27 April 2020 set out, one-

off ordering from lots of different suppliers was “inefficient” (since there was need for extra resource to be spent on due diligence, technical approval, contracting, relationship management, logistics and so on)⁶¹. We therefore ended up spending a lot on products from a small number of suppliers, both on the HPL and the non-HPL routes. A presentation designed by Chris Hall dated 12 May 2020 is an example of the thinking that we were doing at the time to improve the procurement process efficiency. This aligned with the broader strategy work being carried out by Rob Nixon and Sarah Ashley, and was agreed with Emily Lawson.⁶²

- 8.20 As above, we continued to refine the processes throughout April and May 2020 in order to make the routes more efficient. We also learned a lot more as we dealt with suppliers about what information we needed from them. As a result the survey monkey, then the webform, then the data which we were inputting into Mendix (which had a number of iterations over time) all reflected how we sought narrower and more targeted data from suppliers over time, as we were working out how to identify the good offers.
- 8.21 We were not responsible for assessing demand for product. We had no contact with those in charge of stock in the warehouses or figures around usage in hospitals. We relied on DHSC to provide us with that information. It remained the case throughout April and May 2020 that we were being told to buy as much as we could of products (save a few, such as body bags, which dropped off the priority list). The noise and temperature of meetings that I went to with Jonathan Marron and Emily Lawson conveyed to me that we didn’t have enough and that we had to keep going and keep going. One of the tests for coming out of lockdown was that we had enough PPE and I remember that as well as the demand for gloves going crazy there was a lot of focus on FFP3 masks. When there was a lot of demand for these products we had to buy them more expensively. It was in June that the way in which the logistics team were looking at demand changed and we were told that we had enough. This explains why the pressure remained on us until June. It may also explain why different routes paid more at different times for products, since they were responsive to the demand signal.

9. Emails to the HPL

- 9.1 In deciding whether to send information about a potential supplier to the HPL I would consider whether a PPE offer was a personal referral from or contact of a minister or senior official. This was often difficult to establish from reading through sometimes a long

⁶¹ {AW/79 INQ000534864}

⁶² {AW/80 INQ000534846}

email trail but we tried to keep the HPL email address within the private office and seniors so that the inbox was not flooded with duplications from other sources which would hinder our progress. I was not aware of the HPL mailbox being distributed more widely.

- 9.2 In the following section I set out all the suppliers' details I sent to the HPL which I have identified from reviewing the emails I sent to the HPL Mailbox or to Max Cairnduff directly.
- 9.3 As far as I can recall, I forwarded all emails I received about potential suppliers to the HPL (or Max). Albeit in one instance as I explain below it was only to check if a supplier had been looked at, not suggesting the offer should be reviewed.
- 9.4 There was a period of a few weeks when my inbox was being monitored by some junior colleagues from the GCCO private office. Some of the emails below, therefore, were in fact sent by those junior colleagues from my mailbox. I remember having a brief call with them and giving them the above rationale and instructions on how to deal with HPL offer emails.
- 9.5 I have set out below whether I remember taking any specific action in order to inquire or monitor whether any provider received a contract. I should note that in my role I might have been informed as to the recipients of some contracts (for example, our biggest suppliers) though my concern was really just about the volume of PPE being ordered and that is what I would look at most.

(i) Sanaclis

- 9.6 In November 2021, DHSC published a list of offers processed through the HPL. I did not play a big part in pulling this list together, I remember receiving a few questions from the team working on it but I had little knowledge of specific deals. I searched my emails and provided what information I had.
- 9.7 In the DHSC list, I am identified as the "Actual Referrer" for one supplier, Sanaclis. The source of referral is SCCL.
- 9.8 As I understand it, this list identifies referrals for suppliers generally, rather than related to particular contracts.
- 9.9 To explain, on 30 March 2020, I received an email from a colleague in the Cabinet Office, who was working in the GCCO's private office, forwarding an email to him from Sanaclis

offering various products. I forwarded this email to Hannah Bolton who at that stage was leading the initial “internal referrals” team which became the HPL.⁶³

9.10 I did not approach Sanaclis or SCCL. As far as I am aware, I did not have any prior personal, professional or other relationship or interest with Sanaclis, or any other suppliers I referred to the HPL.

9.11 My involvement was limited to forwarding this single email.

9.12 SCCL was the biggest national supplier of PPE to the NHS., I would have assumed that, if an offer was referred by SCCL, then it was a credible offer in terms of quality and available quantity and should be followed up quickly.

9.13 I was not party to these emails at the time. It was not clear to me why I was included as the referrer for Sanaclis. I have been provided with emails in preparing this statement which appear to show that:

- a. Sanaclis, an existing ventilator supply to SCCL and for the NHS, was contacted on 16 March 2020 by phone by a Senior Buyer from SCCL (NHS Supply Chain) asking if it could supply ventilators.
- b. On 16 March 2020, Sanaclis, in response to this call, emailed the Ventilator Challenge email address at DHSC, a SCCL general suppliers email address and the Secretary of State for Health offering to supply ventilators. Sanaclis went on to say that they could also supply 10,800,000 facemasks, other PPE and test kits.⁶⁴ The email stated that there were urgent timescales on the facemasks and they were only available for the next 48 hours.
- c. On 17 March 2020, the Ventilator Challenge replied directing Sanaclis to liaise with a named individual at DHSC.⁶⁵
- d. On 18 March 2020, Sanaclis sent its email offering to supply ventilators, the facemasks, other PPE and test kits to the identified individual at DHSC.⁶⁶

⁶³ {AW/81 INQ000562356}

⁶⁴ {AW/82 INQ000534865}

⁶⁵ {AW/83 INQ000534867}

⁶⁶ {AW/84 INQ000534866}

- e. On 18 March 2020, the GCCO's office sent an internal email checking if the ventilator team had made contact on the ventilator offer and if SCCL had made contact on the offer for facemasks and testing kits.⁶⁷
- f. The Ventilator team confirmed that it had made contact on the ventilator offer.
- g. I assume that the GCCO's office then made contact directly on the PPE and testing kits offer. I have not seen these emails, other than the email from Sanaclis on 30 March 2020.

9.14 From the above, it appears that my email came after there had been correspondence with Sanaclis. It appears that when DHSC carried out its review of the source of HPL suppliers, my email on 30 March 2020 was identified as the initial "referral" email.

9.15 I did not carry out checks on Sanaclis before forwarding the email I had received to the HPL. It appeared to be an offer for large quantity of stock for an item we needed to buy. The rest of the checks were performed by the HPL team and, for the following stages, the other teams in the PPE Buy Cell.

9.16 Sanaclis was subsequently awarded contracts. I am unable to access orders placed by DHSC so do not know if it was for the specific offers raised in the above emails.

9.17 I did not get involved in any discussions to see that Sanaclis was awarded a contract. Sanaclis was awarded a contract. I can see that I was on the panel of the Clearance Board for one contract awarded to Sanaclis for coveralls in May 2020.⁶⁸

(ii) Donation

9.18 I sent an email in relation to a donation to the HPL.

9.19 My email address had been provided to the benefactor by Lord Bethell's office. I forwarded the email to the HPL email address.

9.20 The only information I had about them was the email which provided details of the product and quantities wishing to be donated.

9.21 I did not have any prior personal, professional or other type of relationship or interest with them.

⁶⁷ {AW/85 INQ000534863}

⁶⁸ {AW/86 INQ000512430}, {AW/87 INQ000562348}

9.22 I did not perform any checks on them before forwarding the email to the HPL. I did not get involved in any discussions to see that they were awarded a contract.

9.23 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(iii) China Ventures

9.24 On 1 April 2020, I forwarded two emails to Max Cairnduff which I had received from China Ventures offering to supply various different medical supplies.⁶⁹

9.25 I did not have any prior personal, professional or other type of relationship or interest with China Ventures.

9.26 I did not perform any checks on China Ventures before forwarding the email to Max. I did not get involved in any discussions to see that China Ventures was awarded a contract.

9.27 The only action I took was forwarding the email to Max and other members of the team. I stated in my email that it was “*either a hoax or something useful*” and asked Dan Gillett in the team who was concerned with Due Diligence to run a check on China Ventures and check if we had already received an offer from them. I note that in my email I asked for checks to be run on the supplier and that Max be informed of the outcome, and said that we would then “decide if they get into the business lounge with Max...” To be clear, this was the first day of the HPL when its remit had not been resolved and it was dealing with the pre-HPL caseload. The purpose of my message was to say that checks should be conducted on the deal’s credibility before deciding what to do with it. The use of the phrase “business lounge” was a joke reflecting Max’s new appointment as head of a “High Priority” team. I did not think that that team would progress offers which were not worthy to be progressed. The intent of the High Priority team at this stage was to provide careful handling and although I might have thought that a deal flagged up to Max for his specific attention at this stage might be progressed more quickly that was by no means always the case.

(iv) Meller Designs

9.28 On 3 April 2020, I received emails from Andrew Feldman and Lord Bethell in relation to an offer of FFP3 masks from Meller Designs. Mr Feldman stated that David Meller was

⁶⁹ {AW/88 INQ000534875} and {AW/89 INQ000534832}.

“a good friend of Michael Gove”. I replied that we were dealing with the offer, and copied in Max Cairnduff.⁷⁰ At that stage the deal did not look particularly attractive to me because the price was high, however this was a high demand product, so I mentioned that it would need extra handling (to ensure that it was bought at an appropriate price, or appropriately refused). Ultimately the process we had set up, starting with Max’s team at the HPL, would determine if it was a good offer worthy of a contract.

9.29 I did not have any prior personal, professional or other type of relationship or interest with Meller Designs.

9.30 I did not perform any checks on Meller Designs before copying in Max to the email.

9.31 The only action I took was copying my response to Max. I stated in subsequent emails to Max that “*I think this is fake*” and queried the request for a 100% upfront payment. Max said he would let his team member know and tell him not to progress anything until we hear back.⁷¹ I did not get involved in any discussions to see that Meller Designs was awarded a contract.

(v) Pestfix

9.32 On 4 April 2020, I forwarded an email to Max Cairnduff which I had received from Steve Oldfield’s office in relation to a purchase request to supply FFP2 and FFP3 masks by Crisp Websites Limited (trading as Pestfix) which was said by Pestfix to be “*currently in the approval chain but needs expediting*”.⁷² Steve Oldfield’s office asked me if we were pursuing the order and if there was a delay, so I forwarded the request for Max. This was not a referral, but seeking an update.

9.33 I did not have any prior personal, professional or other type of relationship or interest with Pestfix.

9.34 I did not perform any checks on Pestfix before forwarding the email to Max. I did not get involved in any discussions to see that Pestfix was awarded a contract. Although I did have to email Emily Lawson at one stage to raising a concern that an individual in her office/ NHSEI had been emailing the Buy Cell seemingly on behalf of Pestfix.⁷³ I was told that he had only been helping to try to secure stock but would stop his emails.

⁷⁰ {AW/90 INQ000534834}.

⁷¹ {AW/91 INQ000534833}

⁷² {AW/92 INQ000562345}

⁷³ {AW/93 INQ000562357}

9.35 The only action I took was forwarding the email to Max. Max replied to me saying that he would contact Pestfix's managing director but would not "*have any news for him*".

(vi) The Hut Group

9.36 On 5 April 2020, I forwarded an email to the HPL which I had received from Lord Feldman with an offer of assistance from The Hut Group (THG), an online retailer, in providing PPE (and ventilators).

9.37 I did not have any prior personal, professional or other type of relationship or interest with THG.

9.38 I did not perform any checks on THG before forwarding the email to the HPL. I did not get involved in any discussions to see that THG was awarded a contract.

9.39 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(vii) Thomas Harrison IP Limited

9.40 On 12 April 2020, I sent an email⁷⁴ to the HPL in relation to an offer from Thomas Harrison IP Limited. I had received an email⁷⁵ from Gareth Rhys Williams' Office, who had in turn received an email from Philip Davies MP.

9.41 I did not have any prior personal, professional or other type of relationship or interest with Thomas Harrison IP Limited.

9.42 I did not perform any checks on Thomas Harrison IP Limited before forwarding the email to the HPL. I did not get involved in any discussions to see that they were awarded a contract.

9.43 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(viii) Y Cube

9.44 On 17 April 2020 I sent an email⁷⁶ to the HPL in relation to an offer from Y Cube. I had received an email from Vivek Khashu NHSE&I, who had in turn received an email from

⁷⁴ {AW/94 INQ000562349}

⁷⁵ {AW/95 INQ000562353}

⁷⁶ {AW/96 INQ000534884}

Daniel de Rozarieux, Director of Elective and Emergency Care and Operations and Performance NHSE&I.

- 9.45 I did not have any prior personal, professional or other type of relationship or interest with Y Cube.
- 9.46 I did not perform any checks on Y Cube before forwarding the email to the HPL. I did not get involved in any discussions to see that Y Cube was awarded a contract.
- 9.47 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(ix) Reliance Medical

- 9.48 On 18 April 2020⁷⁷ I sent an email to the HPL in relation to an offer from Reliance Medical. I had received an email on 18 April 2020 from a cabinet office colleague about this offer.
- 9.49 I did not have any prior personal, professional or other type of relationship or interest with Reliance Medical.
- 9.50 I did not perform any checks on Reliance Medical before forwarding the email to the HPL. I did not get involved in any discussions to see that Reliance Medical was awarded a contract.
- 9.51 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(x) Esquel Enterprises Ltd.

- 9.52 On 23 April 2020 I sent an email to the HPL in relation to an offer from Esquel. I had received an email from [Name Redacted] (Paul Deighton's private secretary), who had in turn received an email from Tim Wilkinson, Sales Director at Esquel.⁷⁸
- 9.53 I did not have any prior personal, professional or other type of relationship or interest with Esquel.
- 9.54 I did not perform any checks on Esquel before forwarding the email to the HPL. I did get involved in any discussions to see that Esquel was awarded a contract.

⁷⁷ {AW/97 INQ000562350}

⁷⁸ {AW/98 INQ000534885}.

9.55 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(xi) Rugby Business Network

9.56 On 27 April 2020 I sent an email⁷⁹ to the HPL in relation to an offer from the Rugby Business Network. I received an email directly from Colm Hannon, CEO of the Rugby Business Network who claimed he had been referred to me by Colin McCready, the CFO of NHS Supply Chain.⁸⁰

9.57 I did not have any prior personal, professional or other type of relationship or interest with the Rugby Business Network.

9.58 I did not perform any checks on the Rugby Business Network before forwarding the email to the HPL. I did not get involved in any discussions to see that the Rugby Business Network was awarded a contract.

9.59 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(xii) Mavenexec

9.60 On 26 April 2020 I sent an email⁸¹ to the HPL in relation to an offer from Mavenexec. I had received an email on 26 April 2020 from Lord Agnew's private office about this offer.

9.61 I did not have any prior personal, professional or other type of relationship or interest with Mavenexec.

9.62 I did not perform any checks on Mavenexec before forwarding the email to the HPL. I did not get involved in any discussions to see that Mavenexec was awarded a contract.

9.63 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

⁷⁹ {AW/99 INQ000534848}

⁸⁰ {AW/100 INQ000534886}.

⁸¹ {AW/101 INQ000562352}

(xiii) Next

9.64 On 30 April 2020, I sent an email⁸² to Max Cairnduff in relation to Next, the well-known clothing retailer. I had received an email from Lord Feldman on 9 April 2020 in relation to this .

9.65 I did not have any prior personal, professional or other type of relationship or interest with Next (save I had been in their stores).

9.66 I did not perform any checks on Next before referring them and I did not get involved in any discussions to see that Next was awarded a contract.

9.67 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(xiv) Mentoring Britain

9.68 On 30 April 2020⁸³ I sent an email to the HPL in relation to an offer from Mentoring Britain. I received an email directly from Gary Santino, CEO of Mentoring Britain.⁸⁴

9.69 I did not have any prior personal, professional or other type of relationship or interest with Mentoring Britain.

9.70 I did not perform any checks on Mentoring Britain before forwarding the email to the HPL. I did not get involved in any discussions to see that Mentoring Britain was awarded a contract.

9.71 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

(ii) Blueleaf

9.72 On 14 May 2020, I sent an email⁸⁵ with an offer from Blueleaf to the HPL. Blueleaf had approached Sandra Barrow, Supplier Engagement Lead, Commercial Directorate at DHSC, who had sent me an email. The only information I had about Blueleaf was the email received from Sandra Barrow.

⁸² {AW/102 INQ000534869}

⁸³ {AW/103 INQ000562351}

⁸⁴ {AW/104 INQ000563071}

⁸⁵ {AW/105 INQ000562358}, {AW/106 INQ000562359}

9.73 I did not have any prior personal, professional or other type of relationship or interest with Blueleaf.

9.74 I did not perform any checks on Blueleaf before forwarding the email. I did not get involved in any discussions to see that Blueleaf was awarded a contract.

9.75 The only action I took was forwarding the email to the Covid PPE Priority Appraisals Mailbox.

10. Emails to the pre-HPL team

10.1 In the following section I set out all the offers I forwarded to the pre-HPL team before the HPL mailbox was established, which I have identified from reviewing the emails I sent (or which were sent from my email) to the pre-HPL team.

(i) Ineos

10.2 On 21 March 2020 I sent an email to the pre-HPL team in relation to an offer from Ineos. I was copied into an email on 20 March 2020 from Gareth Rhys Williams' Office about this offer.⁸⁶

10.3 I did not have any prior personal, professional or other type of relationship or interest with Ineos.

10.4 I did not perform any checks on Ineos before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Ineos was awarded a contract.

10.5 The only action I took was forwarding the email to the pre-HPL team.

(ii) Personal Respirator Southampton (PERSO)

10.6 On 21 March 2020, I sent an email to the pre-HPL team in relation to an offer from PERSO.⁸⁷ I had received an email on 21 March 2020 from Gareth Rhys Williams' Office about this offer.

10.7 I did not have any prior personal, professional or other type of relationship or interest with PERSO.

10.8 I did not perform any checks on PERSO before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that PERSO was awarded a contract.

⁸⁶ {AW/107 INQ000534826}

⁸⁷ {AW/108 INQ000534907}

10.9 The only action I took was forwarding the email to the pre-HPL team.

(iii) Lyreco

10.10 On 23 March 2020 I sent an email to the pre-HPL team in relation to an offer from Lyreco.

I had received an email on 20 March 2020 from a Welsh Government colleague about this offer.⁸⁸

10.11 I did not have any prior personal, professional or other type of relationship or interest with Lyreco.

10.12 I did not perform any checks on Lyreco before forwarding the email to the pre-HPL team.

I did not get involved in any discussions to see that Lyreco was awarded a contract.

10.13 The only action I took was forwarding the email to the pre-HPL team.

(iv) 5 Stars Trading

10.14 On 23 March 2020 I sent an email to the pre-HPL team in relation to an offer from 5

Stars Trading. I had been copied into an email from Lord Bethell on 22 March 2020 to Julian Smith MP, who had in turn forwarded an email he had received from 5 Stars Trading on 20 March 2020 stating that it had sources of PPE and test kits.⁸⁹ Lord Bethell had explained in his email that we were receiving a huge number of these sorts of unsolicited approaches and *"[s]ome of them are utterly pucker, blue-chip and serious, some have problems like long lead times, and some are outright frauds."* He explained that we would triage it but *"clearing last weeks [sic] backlog of unsolicited offers is difficult and frankly subsidiary to engaging with the mainstream supply chain."*⁹⁰

10.15 I did not have any prior personal, professional or other type of relationship or interest with 5 Stars Trading.

10.16 I did not perform any checks on 5 Stars Trading before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that 5 Stars Trading was awarded a contract.

10.17 The only action I took was forwarding the email to the pre-HPL team.

⁸⁸ {AW/109 INQ000534831}

⁸⁹ {AW/109 INQ000534831}

⁹⁰ {AW/111 INQ000534815}.

(v) Logical Biological

10.18 On 25 March 2020, I sent an email to the pre-HPL team in relation to an offer from Logical Biological.⁹¹ I had received an email on 25 March 2020 from a Cabinet Office colleague about this offer.⁹²

10.19 I did not have any prior personal, professional or other type of relationship or interest with Logical Biological.

10.20 I did not perform any checks on Logical Biological before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Logical Biological was awarded a contract.

10.21 The only action I took was forwarding the email to the pre-HPL team.

(vi) Carl J Fearn (company name unknown)

10.22 On 25 March 2020, I sent an email to the pre-HPL team in relation to an offer from Carl J Fearn. I had received an email on 25 March 2020 from an individual at the NHSE&I about this offer.⁹³

10.23 I did not have any prior personal, professional or other type of relationship or interest with Carl J Fearn.

10.24 I did not perform any checks on Carl J Fearn before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Carl J Fearn was awarded a contract.

10.25 The only action I took was forwarding the email to the pre- HPL team.

(vii) Baroness Couttie

10.26 On 26 March 2020, a member of the GCCO's private office sent an email from my address to the pre-HPL team in relation to an offer from Baroness Couttie.⁹⁴ I had received an email on 22 March 2020 from Lord James Bethell about this offer.

10.27 I did not have any prior personal, professional or other type of relationship or interest with Baroness Couttie.

⁹¹ {AW/112 INQ000534909}

⁹² {AW/113 INQ000534830}

⁹³ {AW/114 INQ000562341}

⁹⁴ {AW/115 INQ000562344}.

10.28 I did not perform any checks on Baroness Couttie before the email was forwarded to the pre-HPL team. I did not get involved in any discussions to see that she was awarded a contract.

(viii) 51 Give

10.29 On 26 March 2020, I sent an email to the pre-HPL team in relation to a potential donation from 51 Give.⁹⁵ I had received an email on 22 March 2020 from a DHSC colleague about this donation.

10.30 I did not have any prior personal, professional or other type of relationship or interest with 51 Give.

10.31 I did not perform any checks on 51 Give before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that 51 Give was awarded a contract.

10.32 The only action I took was forwarding the email to the pre-HPL team.

(ix) Dr Li

10.33 On 26 March 2020, I sent an email to the pre-HPL team in relation to a potential donation from Dr Li.⁹⁶ I had received an email on 22 March 2020 from a contact of Lord Bethell about this donation.

10.34 I did not have any prior personal, professional or other type of relationship or interest with Dr Li.

10.35 I did not perform any checks on Dr Li before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Dr Li was awarded a contract.

10.36 The only action I took was forwarding the email to the pre-HPL team.

(x) China Xinxing Group

10.37 On 27 March 2020, a member of the GCCO's private office sent an email, from my address, to the pre-HPL team in relation to an offer from China Xinxing Group.⁹⁷ I had received an email on 25 March 2020 from Lord Bethel about this offer.

⁹⁵ {AW/116 INQ000534829}

⁹⁶ {AW/117 INQ000562343}

⁹⁷ {AW/118 INQ000534828}

10.38 I did not have any prior personal, professional or other type of relationship or interest with China Xinxing Group.

10.39 I did not perform any checks on China Xinxing Group before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that China Xinxing Group was awarded a contract.

(xi) Ballyclare

10.40 On 27 March 2020, I sent an email to the pre-HPL team in relation to an offer from Ballyclare.⁹⁸ I had received an email on 25 March 2020 from Lord Bethell about this offer.

10.41 I did not have any prior personal, professional or other type of relationship or interest with Ballyclare.

10.42 I did not perform any checks on Ballyclare before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Ballycare was awarded a contract.

10.43 The only action I took was forwarding the email to the pre- HPL team.

(xii) Sir Chris Evans (Bioscience Professor)

10.44 On 27 March 2020, I sent an email to the pre-HPL team in relation to an offer from Sir Chris Evans.⁹⁹ I had received an email on 25 March 2020 from Steve Oldfield about this offer.

10.45 I did not have any prior personal, professional or other type of relationship or interest with Sir Chris Evans.

10.46 I did not perform any checks on Sir Chris Evans before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that he was awarded a contract.

10.47 The only action I took was forwarding the email to the pre- HPL team.

(xiii) AstraZeneca

⁹⁸ {AW/119 INQ000534827}

⁹⁹ {AW/120 INQ000534820}

10.48 On 25 March 2020, I had been copied into an email from Beverley Jandziol, a CTT Colleague working on testing for Covid-19, to AstraZeneca, providing my details in respect of PPE.¹⁰⁰ On 26 March 2020, I had a call (followed by an email) with AstraZeneca in relation to masks they had available and were willing to donate.¹⁰¹ I forwarded this to the sourcing leads (Richard James and Sarah Ashley) and asked where I should route it. Sarah replied that she had diverted it to the pre-HPL team.¹⁰²

10.49 On 27 March 2020, I received a further email from AstraZeneca with contact details for their staff in relation to a donation of masks. I provided these details to the pre-HPL team.¹⁰³

10.50 On 27 March 2020, I received a further email from AstraZeneca with contact details for a potential supplier of masks, which had already been provided by AstraZeneca to the pre-HPL team.¹⁰⁴

10.51 I did not have any prior personal, professional or other type of relationship or interest with AstraZeneca.

10.52 I did not perform any checks on AstraZeneca before forwarding the email to the pre-HPL team.

10.53 The only action I took was forwarding the emails referred to above and then checking the pre-HPL team had received the certificate and further information on the masks for donation which was received from AstraZeneca on 30 March 2020.¹⁰⁵

(xiii) FCDO - (referring to two German sourced offers)

10.54 On 26 March 2020, I sent an email¹⁰⁶ to the pre-HPL team in relation to an offer via the FCDO. I had received an email on 26 March 2020, via an FCDO colleague.

10.55 I did not have any prior personal, professional or other type of relationship or interest with the FCDO related offers.

¹⁰⁰ {AW/121 INQ000534844}

¹⁰¹ {AW/122 INQ000534878}

¹⁰² {AW/123 INQ000534877}.

¹⁰³ {AW/51 INQ000534819}.

¹⁰⁴ {AW/125 INQ000534876}.

¹⁰⁵ {AW/126 INQ000534822}

¹⁰⁶ {AW/127 INQ000562342}

10.56 I did not perform any checks on the FCDO related offers before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that these offers resulted in contracts.

10.57 The only action I took was forwarding the email to the pre- HPL team.

(xiv) Baroness Thornton and Baroness Young of Hornsey (supplier name unknown)

10.58 On 26 March 2020, I sent an email to the pre-HPL team in relation to an offer via Baroness Thornton and Baroness Young of Hornsey.¹⁰⁷ I had received an email on 26 March 2020 from Lord James Bethell about this offer.

10.59 I did not have any prior personal, professional or other type of relationship or interest with the offer received via Baroness Thornton or Baroness Young of Hornsey.

10.60 I did not perform any checks on the offer before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that the offer resulted in a contract.

10.61 The only action I took was forwarding the email to the pre- HPL team.

(xv) Toby Baxendale (supplier name unknown)

10.62 On 29 March 2020, I sent an email to the pre-HPL team in relation to an offer via Toby Baxendale.¹⁰⁸ I had received an email on 29 March 2020 from Steve Oldfield about this offer.

10.63 I did not have any prior personal, professional or other type of relationship or interest with the offer received via Toby Baxendale.

10.64 I did not perform any checks on the offers before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that the offer resulted in a contract.

10.65 The only action I took was forwarding the email to the pre- HPL team.

(xvi) Transatlantic Partners

10.66 On 30 March 2020, I sent an email to the pre-HPL team in relation to an offer from Transatlantic Partners.¹⁰⁹ I had received an email on 30 March 2020 from Gareth Rhys Williams about this offer.¹¹⁰

¹⁰⁷ {AW/128 INQ000562472}

¹⁰⁸ {AW/129 INQ000534816}

¹⁰⁹ {AW/130 INQ000534868}

¹¹⁰ {AW/131 INQ000562354}

10.67 I did not have any prior personal, professional or other type of relationship or interest with the offers received via Transatlantic Partners.

10.68 I did perform one check by looking at the Transatlantic Partners website before forwarding the email to the pre-HPL team.

10.69 I did not get involved in any discussions to see that Transatlantic Partners was awarded a contract.

(xvii) Witan Group

10.70 On 31 March 2020, I sent an email to the pre-HPL team in relation to an offer of a donation via Witan Group.¹¹¹ I had been copied into an email on 30 March 2020 from Andrew Feldman about this offer.

10.71 I did not have any prior personal, professional or other type of relationship or interest with the offers received via Witan Group.

10.72 I did not perform any checks on the Witan Group before forwarding the email to the pre-HPL team. I did not get involved in any discussions to see that Witan Group was awarded a contract.

10.73 The only action I took was forwarding the email to the pre-HPL team.

11. The award of contracts to suppliers

11.1 In terms of the process for and decision to award or refuse to award contracts to particular suppliers, I was not asked to and did not intervene, directly or indirectly, in the process for the award or refusal to award contracts to potential suppliers processed by the HPL. The extent of my direct input to the HPL was that I was involved in referring offers to the HPL and giving my views as required on the potential offers, in terms of whether the offer should go through the HPL or be processed by a different buying channel. My logic when providing such advice was based on seniority of the referrer in accordance with the email guidance on 6 April 2020.¹¹²

11.2 Similarly, I do not recall that I was ever asked to decide whether a particular HPL supplier should be given or refused a contract. Approvals to place purchase orders and enter into contract were made via DHSC procurement and the DHSC AO.

¹¹¹ {AW/132 INQ000534823}

¹¹² {AW/133 INQ000534835}; {AW/134 INQ000562346}; {AW/135 INQ000534836}

11.3 Outside of the HPL, I was involved in speaking to some suppliers directly. Most often these were SCCL's existing suppliers.

11.4 Apart from leading the Buy Cell as described above I supported the SCCL Team on unlocking existing NHS suppliers' volumes as this was deemed to be the lowest risk and the most secure channel of supply. These relationships were owned by the SCCL buying teams and we held 'whites of the eyes' meetings with the relevant existing suppliers to see if we could secure further stocks for the U.K.

11.5 The full list of suppliers that we met (as far as I am aware) are set out below:

- a. B Braun.¹¹³
- b. Ecolab.¹¹⁴
- c. Full Support Healthcare.¹¹⁵
- d. Medline.¹¹⁶
- e. Molnlycke.¹¹⁷
- f. 365 Healthcare (AKA Bunzl PLC).¹¹⁸
- g. MMM (3M).¹¹⁹

11.6 These meetings commenced on 4 May 2020 and had a recurring agenda. The attendees were: the SCCL buying lead, supporting consultants (Efficio Consulting¹²⁰) and myself. Following the meetings the SCCL team would follow up on any actions.

11.7 There were four NHS existing supplier deals/relationships, that I can remember, being involved in directly. These are set out below:

¹¹³ {AW/136 INQ000562474}

¹¹⁴ {AW/137 INQ000562480}

¹¹⁵ {AW/138 INQ000562481}

¹¹⁶ {AW/139 INQ000562482}

¹¹⁷ {AW/140 INQ000562719}

¹¹⁸ {AW/141 INQ000562477};

¹¹⁹ {AW/142 INQ000562473}

¹²⁰ {AW/143 INQ000562479} {AW/144 INQ000562483} {AW/145 INQ000562476}

- a. Full Support Healthcare provided further market advice to me and I had some phone calls and email exchanges with Sarah Stoute, the CEO which I will expand on below.¹²¹
- b. Supermax – this was a glove supplier with whom I spoke and exchanged emails.¹²²
- c. HPC – this was a supplier that we invested in to make aprons in the UK.¹²³ I helped review the business case before it went forward for AO approval.
- d. Bunzl/365 Healthcare who approached us looking to secure a wider PPE supply deal.¹²⁴ After review, we rejected this offer as I explain below.

Full Support Healthcare

- 11.8 Full Support Healthcare were/are an NHS supplier on SCCL buying frameworks. They also had PPE items listed in the NHS digital catalogue. They seemed adept at finding or setting up production and sources of supply in overseas markets. They were introduced to me through a Deloitte colleague leading the 'Make' cell as they were in conversation regarding UK based production.
- 11.9 Full Support Healthcare was an SME, led by an ex-NHS nurse and her husband with a relatively small team and operation and in my opinion they stepped up in a time of crisis. Both they and I were frustrated at the speed of decision making at SCCL. This is no reflection of the SCCL colleagues that were seconded to the Buy Cell from SCCL. They absolutely went above and beyond. It is also not a criticism of the SCCL management team.
- 11.10 As I mentioned earlier I spoke on the phone with the CEO of Full Support Healthcare several times during the pandemic. We discussed specific products, potential stock opportunities and general market status and behaviours. We were turning the existing NHS suppliers upside down and shaking them to find life saving equipment as the most secure channel of supply. The more stock we could contract from existing suppliers the less risk we had to take with relatively 'unknown' sources of which we had 1000s.

¹²¹ {AW/146 INQ000534887}

¹²² {AW/147 INQ000562478}

¹²³ {AW/148 INQ000534874}

¹²⁴ {AW/149 INQ000562360}

- 11.11 SCCL was responsible for undertaking due diligence, technical compliance and raising purchase orders for their suppliers. There was one particular order for Thumb Looped Aprons (which were to be used as an alternative to Gowns in certain settings) where there was a breakdown in communication. SCCL and myself had spoken with Full Support Healthcare regarding a range of orders and the order for the Thumb Looped Aprons had not been processed but Full Support Healthcare had gone ahead with setting up production. The supplier was stressing that these orders needed to be placed quickly as there was a need to invest in raw material and machinery and I was echoing this and emailed SCCL the day after the meeting to confirm that these should be expedited quickly.¹²⁵ I was assured that they would be. After a few days SCCL was questioning whether this order should go ahead I think based on availability of alternative supply but Full Support Healthcare had already made commitments to the manufacturer.
- 11.12 This culminated in an analysis that I led across a number of team members and presented to Emily Lawson with a recommendation that the AO should go ahead with approving the purchase order. The purchase order was then executed (save, to my understanding, for goods which Full Support Healthcare had been able to sell to other purchasers).
- 11.13 There were a couple of other specific orders where Full Support Healthcare offered products and were encouraged by me to hurry up and move ahead with making commitments before they had received SCCL orders. I saw this as low risk at the time. In retrospect, I should have waited for SCCL to follow their processes. I remember one instance in particular where I sent a text to Full Support Healthcare to go ahead. I remember discussing this with Emily Lawson afterwards and the SCCL orders went through.
- 11.14 I am not in possession of that text message now. On 8 October 2020¹²⁶ I reported, to the Cabinet Office IT service desk, that my work phone was no longer charging. I returned my work phone to the service team and they replaced it with another phone. My text messages and any Whatsapp messages were not recovered. I did not however use text messages or Whatsapp very much during this crisis period, preferring to use email or telephone calls or face to face meetings.

¹²⁵ {AW/146 INQ000534887}

¹²⁶ {AW/151 INQ000534896}

11.15I shared with Emily Lawson, at the time, that there were learnings in coordination¹²⁷ and I did not make it clear enough to the supplier that they should wait for a purchase order before they went ahead. In fact, in the heat of the moment, I encouraged them to go ahead.

Bunzl (AKA 365 Healthcare)

11.16I examined a proposal by Bunzl (AKA 365 Healthcare), a FTSE 100 company and existing supplier to the NHS and SCCL, to become a strategic supplier across a number of product areas. However, after putting some time and effort into examining and discussing the deal, we decided it was not an option we were interested in. It would have affected our routes to market and was not commercially attractive at the time.

12. Overall Reflections

12.1 I feel like I am writing this witness statement on behalf of 500+ people who volunteered and made up the PPE buy cell. They all put their lives on hold and worked crazy hours to save the lives of others. I listen to some people talk about lockdown and hear about work life balance and Netflix. For my team, and of course to a far worse extent for our frontline NHS and Social Care staff and many others, it was probably the most frenetic and stressful period of their careers.

12.2 I have heard all of the criticism, the headlines, the documentaries, the NAO reports, the PAC hearings and Judicial Reviews.

12.3 When I turned up at Skipton House on Saturday 21 March 2020, I was briefed quite literally, to buy as much PPE as we possibly could because people were dying. Buying PPE is exactly what my quickly assembled, fantastically dedicated, and hardworking team did, with all of the commercial skills and experience we could muster. We therefore did buy PPE as instructed and lots of it (too much it turns out, for reasons set out in relation to the demand that was set for us at paragraph 3.46 iii above). We used our skills and drive to get that done with no experience of managing in such a crisis. I have listed above at paragraph 3.46 the things that got in the way and made it even more difficult. The HPL was a small part of that much larger operation.

12.4 I received 6,500 emails in the first two months of the crisis. I attended 100's of update sessions and team meetings. The pace of events was breathtaking and blood pressure was rising. Many decisions were made without normal peace-time formal papers,

¹²⁷ {AW/146 INQ000534887}

deliberations, committees, minutes and formal governance. Emily's overall PPE cell morning meetings were quick fire and 30 minutes long. We dealt with this pressure by setting up processes quickly and learning quickly and using our commercial experience. Ultimately the best answer to the pressure we were under was the number of deal packs that we sent through to the DHSC Accounting Officer to sign and turn into PPE.

- 12.5 All of the focus now seems to be on the VIP/HPL buying channel and I have covered this at length above. I understand the political implications of this part of our operation and the public have a right to know the truth. There are issues of suspected corruption, a chumocracy, backhanders etc. Was their corruption at play in a time of crisis?
- 12.6 I really do want to stress that I did not have, and I do not believe that my team had, any intention to benefit a certain demographic of people - rather we just wanted to obtain PPE as quickly as possible. As above at paragraph 5.9, the two different processes (the webform and the pre-HPL team dealing with the initial email offers) evolved organically, but the division of processes did expose a seam of good offers coming in directly. My team members set up the mailbox and I agreed at the time that it was a good idea. We had many offers coming in from business contacts of Ministers/MP's/Senior Clinicians and like any other buying channel we needed to put together a team to find life saving PPE via all offers. The HPL bore a number of credible offers and that was the whole point of the exercise.
- 12.7 The Inquiry will, I hope, note my earlier point on the wave of offers (including later the decision to initiate a 'call to arms') which prompted our team to open a public portal. The call to arms was not a commercial decision. It gave us a huge problem of trying to assess an avalanche of offers. Government does not have 'due diligence in a box' to cope with 16,000+ offers in a matter of days. But we built what we could as quickly as we possibly could.
- 12.8 We did have controls in place. Each buying channel had processes to try and prevent corruption, fraud, and poor buying decisions. We were however at a real disadvantage where, for example, we could not get on a plane to inspect the goods. The PPE was of course expensive compared to pre-pandemic. Some of it was unusable by the NHS - we couldn't go and see it until after we had bought it - but I believe our efforts, along with many others, saved lives.

- 12.9 I do know that a lot of money was spent on PPE. I too had my national insurance contributions increased to help pay for the pandemic. It is important that the Inquiry considers how to avoid such a situation in future.
- 12.10 Scrutiny and transparency is critical and I am aware that a recent JR ruled that the HPL breached the rules of fairness even when using emergency procurement regulation 32(c).¹²⁸ There are clearly lessons to be learned.
- 12.11 In 'peace-time' government procurement using PCR2015 takes weeks and months depending on the project, with each step carefully arranged so as to prevent any inequality. For me, the commercial and legal question is how should fair and equal treatment be applied in an emergency procurement situation? We applied it by separation of duties between each team in the buying process. The overall buying process was the same for each 'new opportunities buying stream' as set out above. To what extent should the precise details of each different team's working be standardised and how should that work when the different teams have different roles and specialisations and are bound to work differently in order to be more effective? Issues which are being raised in hindsight were not so clear at the time when we were trying to engage in an unprecedented procurement exercise of enormous scope under regulation 32(c).
- 12.12 Again, we really did try to focus on offers which could meet the demand. In its ruling in the JR I have mentioned in paragraph 12.10 above, the High Court noted that in all likelihood the suppliers that it was considering would have been treated as priority offers because of the substantial volume of PPE they could supply and it is likely that they would have been awarded these contracts or, as in the words of the High Court, *"the outcome would not be substantially different and the contracts would have been awarded"*. I do think that we always sought to place orders for the most credible offers, even if some of those offers did not in fact come through.
- 12.13 I do acknowledge that there was a lot of political pressure to deliver PPE but I have tried to explain in this statement that as a team of civil servants we were focused on finding the best offers and potentially saving lives. We are used to dealing with senior people and the pressure that comes with that. I have referred to emails above (for example, at 9.31) where we were setting out objective reasons why an offer should not proceed. I do hope that the hard work and dedication of the team of civil servants across the Buy Cell

¹²⁸ {AW/65 INQ000534910}

is given some weight, and note that they have sometimes been used as a political football.

12.14 I was interviewed as part of the Boardman reviews on 2 February 2021¹²⁹, and I noted that that were several things that we did which went well, such as:

- a. different parts of government coming together very quickly to form new agile teams under a clear objective in spite of the fact that they had different systems/ways of doing things and had never worked together.
- b. the volume of PPE sourced met demand, with stocks in place for winter and some resilience in a tough market, boosting UK manufacturing to provide a further layer of resilience
- c. providing an acceptable delivery rate (as I understood it at the time, about 90%) for such highly specialised items, that by the end of July 2020 there was a 10 page strategy in place for each category,
- d. the use of FCO in helping leverage their relationships when delays were experienced in China following their decision to undertake further detailed inspections of product shipments and Trump's communication to their manufacturers around the world (notably 3M) to secure stock for US use only
- e. the armed forces and their role in logistics.
- f. Plugging the manufacturing standards knowledge skills gap to an extent via SCCL and existing supplier engagement.
- g. Use of NHS trusts and their sources as a stopgap while the centralised crisis response was stood up.

12.15 However, I also noted a number of things which could have been done better. There was no contingency plan to follow so I recommended the creation of a crisis in a box that can be immediately stood up if required, to include provision for the following:

- a. An embedded communications & engagement team to cover the significant stakeholder management and help manage the messaging and relevant documentation.
- b. A compliance secretariat and assurance team, external to the deals teams, to register conflicts of interest, ensure the timely publication of contracts on time and cover audit-preparedness.

¹²⁹ {AW154 INQ000473913}

- c. A detailed induction for staff on the specialist area and taxonomy of products they were buying, including access to specialist advice.
- d. Access to a shared IT system ready to go for everyone working on the crisis response, including a shared file storage function.
- e. Detailed stakeholder mapping to make sure the right people are at the table from the start.
- f. An advisory panel of expert customers to ensure procurement teams fully understand the product requirements and variants prior to purchasing stock.
- g. A panel of regulatory decision makers with delegated authority and limited liability, including technical compliance expertise, specialist manufacturing knowledge and front-line NHS Trust representation.
- h. Access to quality assurance specialists on the ground immediately.
- i. A rigorous stockpiling strategy with clear ownership.

12.16 Although as above I appreciate the public interest in the HPL, I do hope that the Inquiry takes notice of some of the above, including the fundamental problems caused by the UK not having enough PPE at the start of the pandemic, which led to the difficulties that the Buy Cell and my team faced when they were set up, and made us have to work flat out just to try and establish ourselves in the market.

12.17 My Witness Statement is focussed on giving my evidence of what I saw happening, my role in different decisions and events and identifying what was learnt.

12.18 I am sure there will be conflicting evidence throughout this Inquiry as everyone was in a slightly different seat and viewed this from a different angle with different information. My recollection and time to search 1000's of emails has been limited. But I have spent much time doing just that as best I could.

12.19 I look forward to assisting the Inquiry as much as I can to prevent anyone being in this situation ever again.

Statement of Truth

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

Name: Andy Wood.

Dated: 03 March 2025

Personal Data