

Witness Name: **Chris Young**

Statement No.: **1**

Exhibits: **CY/01 – CY/40**

Dated: **10 February 2025**

UK COVID-19 INQUIRY

FIRST WITNESS STATEMENT OF CHRIS YOUNG

I, Chris Young, will say as follows:

1. I make this statement in response to a request from the UK Covid-19 Public Inquiry (“the Inquiry”), dated 11 December 2024, made under Rule 9 of The Inquiry Rules 2006 (“the Request”) asking me to provide a witness statement setting out the key aspects of my involvement in respect of my role. The Inquiry wishes to understand the role I played from 1 January 2020 until 28 June 2022 (“the Specified Period”).
2. I held the role Director of Finance at the Department of Health and Social Care (“DHSC”) until October 2021. From August 2020 I was fully deployed on leading the establishment of the New Hospital Programme and Andy Brittain was appointed as an additional Director of Finance in DHSC.

Background and Experience

3. I first joined the finance function of DHSC in 2005. Shortly afterwards I completed my professional qualification and became a member of The Chartered Institute of Management Accountants (CIMA). In 2014 I became a Senior Civil Servant (“SCS”), specialising in the finance profession as Deputy Finance Director and was appointed as the Director of Finance at the DHSC in August 2017.
4. In January 2020, the DHSC Director of Finance role was split into two posts (Revenue and Capital Directors of Finance respectively). This was to enable sufficient Director of Finance leadership of a rapidly expanding portfolio, which now included the new Conservative Government Election promise of delivering an increased number of hospitals – the “40 Hospitals Programme” and a greater emphasis on developing the NHS infrastructure.

5. Once the role was split, I became the Capital Director of Finance at DHSC and the other Director of Finance role – which related to revenue spending (NHS Finance / Budgets) - became vacant and was expected to be filled via standard Government Finance Function SCS2 (Director) recruitment processes. Thereafter, the intention was that my role would focus on capital spending, including the 40 Hospitals Programme and maintaining oversight of the c£10 billion of annual capital investment in the health system.
6. At the outset of the pandemic there were two Accounting Officers (AO) appointed in the DHSC; namely David Williams and Sir Chris Wormald. Their responsibilities as AOs aligned to those in Chapter 3 of Managing Public Money (MPM) [CY/1 - INQ000496882].
7. One such responsibility is the specific need to undertake an AO assessment when necessary, which is the scrutiny of significant policy proposals or plans to start or vary major projects and then take an assessment and decision on whether they measure up to the standards laid out in MPM. Good practice dictates that both the decision and underpinning rationale are documented, Section 3.4 MPM sets the standards for such assessments¹. [CY/1 - INQ000496882].
8. During non-pandemic times, the number of AO assessments undertaken in DHSC was minimal. This changed quickly from the onset of the pandemic. Specifically, in the context of Personal Protective Equipment (PPE) during the earliest months of the pandemic, the economics of the supplier market was significantly unbalanced in that the global demand for PPE vastly exceeded both the supply that was readily available and that which was in the pipeline from established suppliers and supply chains.
9. This created a situation where the UK Government, specifically DHSC, could not follow the non-pandemic procurement and payment processes if we wanted to secure such scarce products in what was increasingly a seller's market. This manifested itself in two main ways which necessitated more frequent need for urgent AO assessment and approval:
 - a. There was less opportunity and time for inspection and quality control testing of goods before delivery, something which we could have utilised in non-pandemic times.
 - b. Contracts proposed required substantial up-front payments in advance of receiving the goods.
10. AO approvals were required at short-notice and were too frequent for any one AO to manage. As such the decision was taken to delegate authority from the permanent DHSC AOs for such AO assessments to be carried out.

¹ MPM is HMT's guidance document for dealing with resources in public sector organisations in the UK.

11. As I have set out, there were two AOs in DHSC. Sir Chris Wormald did not undertake any AO assessments in respect of PPE during the pandemic to the best of my understanding. These assessments were left to David Williams, who did not consult with me on his AO decisions as there was no need to.
12. In March 2020, Jon Fundrey was loaned from his role as Chief Operating Officer (“COO”) at the Medicines and Healthcare Products Regulatory Agency (“MHRA”) to the DHSC to be a co-Director of Finance with me for the duration of the first wave of the Pandemic.
13. Between March 2020 and July 2020, I was given delegated authority by David Williams to carry out AO assessments for individual PPE contracts with a value up to a maximum of £100m – this delegation was initially provided verbally and latterly in writing [CY/2 - INQ000563113]. There was no minimum threshold attached to the delegation, given the likelihood that most contracts regardless of value included substantial up-front payments. The same delegation was provided to Jon Fundrey and this arrangement was reviewed with David Williams on a weekly basis.
14. I have been asked to set out my day-to-day role during the pandemic. The difficulty with doing this is that there was no typical day. Whilst I was classified an essential worker under government guidelines, I could work effectively from home, and this enabled me to share the educational needs of my two young children with my spouse whilst also meeting the needs of my role.
15. Throughout the pandemic, in addition to my role carrying out delegated AO assessments, I continued my role as Capital Director and specifically maintained focus on setting up the Government’s New Hospital Programme which the DHSC Secretary of State wished to remain a priority alongside the overarching response to the pandemic. This resulted in balancing a full-time BAU role, sharing the AO approvals with Jon Fundrey and managing two young children. Consequently, there was a substantial demand on my time, as there was on all other essential workers during this period.
16. The need for everyone involved in sourcing and approving PPE contracts to operate outside standard non-pandemic UK business hours (9am – 5pm) quickly became apparent. Jon Fundrey and I therefore agreed to work shift patterns to ensure there was complete coverage for urgent AO assessments within our delegation between 7am and 10pm covering 7-days a week, this was necessary because of the global time zones in play and short-notice with which we were asked to provide approval on deals. The lead AO for the respective shift pattern was pre-agreed between Jon and I and communicated to the relevant teams who also provided similar shift cover.
17. If a proposal required AO assessment and approval, Jon and I needed to maximise our chances of responding quickly and effectively, which meant utilising multiple forms of

communication. All proposals and decisions were undertaken via email to ensure an appropriate audit trail existed and to enable continuity of action between shift patterns. To heighten our response time to these email requests, Jon and I would also be notified in a WhatsApp group by receipt of a message from a team member to inform us that a decision was sought, and the detail was in the email inbox [CY/3 INQ000563180]. There was little WhatsApp discussion beyond the message notifying us and no AO decision was ever taken or communicated without the appropriate email train and full audit trail. I deal with this process in greater detail in my statement at paragraphs 22 and 23.

18. I have been asked about the training provided to enable me to effectively undertake the duties delegated to me. Going into the pandemic:

- a. I was a qualified finance professional and experienced Director of Finance with extensive knowledge of MPM, which covered the effective stewardship and use of the public purse.
- b. I had experience being in and around AOs and the decision-making they undertook in their roles.
- c. My role as a Finance SCS with almost 15 years' experience in DHSC meant that I was aware of the significant amounts of the DHSC budget deployed each year on the procurement of medical equipment and supplies, in addition to that spent on stockpiling as protection against potential pandemics.
- d. I had significant knowledge of UK Government procurement processes and frameworks, which in addition to Departmental spending delegations provided by HMT, set the parameters for procurement in all areas including healthcare equipment. I was aware that it was possible to be flexible with agreements in the event of non-BAU procurement according to risk assessment.

The Approvals Process

19. As referenced above; at the onset of the pandemic the vast amount of procurement activity carried out at speed in a high-risk market meant that deals increasingly needed to be assessed against the AO standards set out in MPM section 3.4 [CY/1 – INQ000496882]. Specifically, there were a high number of deals which involved potential issues with any of the propriety, regularity, value for money and/or feasibility tests which an AO is expected to apply when taking a rounded decision.
20. For PPE deals with any such potential issues; the ultimate decision to approve and enter into a contract with a supplier was taken by the AO on the basis of the information provided

by the supplier via the DHSC Closing Team and summarised by the DHSC Finance Team in an AO submission pack sent via email. I deal with this process in greater detail in my statement at paragraphs 28 and 29.

21. AO decisions being made by David, Jon and myself were set against the context of a Ministerial Direction of 29 March 2020 which approved spending that may result in a regularity breach [CY/4 – INQ000279920]. The published exchange of Accounting Officer/Secretary of State letters followed a formal submission to Secretary of State on 27 March where a point around higher risk appetite was made and subsequently acknowledged i.e. recognising that in our spending decisions at this time, we would accept a higher degree of risk than would be acceptable under ordinary, business-as-usual (“BAU”) conditions [CY/5 - INQ000551532].

22. To support the need for rapid decision-making proportionate to the heightened risk appetite, Jon and I were extensively briefed by officials from the PPE Cell usually on a daily basis. These briefings including officials from DHSC and NHSE&I were to ensure not just the delegated AOs, but everyone acting in their respective roles, were equipped with the wider strategic context and PPE product-level management information necessary [CY/6 - INQ000563151]. To expand upon what I have set out above, Jon Fundrey and I would be notified by way of a message sent to a WhatsApp group that an AO assessment and decision was required; the detail of which was sent in an email to both Jon’s and my respective DHSC email inboxes. The email would be sent from a generic Covid-19 Finance email address, used by various members of the DHSC Finance Team and set up specifically to de-risk individual points of failure in the finance aspects of the process, and to ensure continuity in communications and audit trails.

23. I have disclosed the WhatsApp conversation from the alerts group in line with the request made by the inquiry [CY/7 – INQ000563187; CY/8 – INQ000563188; CY/9 –

INQ000563189;	CY/10 –	INQ000563190;	CY/11 –	INQ000563191;	CY/12 –
INQ000563192;	CY/13 –	INQ000563193;	CY/14 –	INQ000563194;	CY/15 –
INQ000563195;	CY/16 –	INQ000563196;	CY/17 –	INQ000563197;	CY/18 –
INQ000563198;	CY/19 –	INQ000563199;	CY/20 –	INQ000563200;	CY/21 –
INQ000563201;	CY/22 –	INQ000563202;	CY/23 –	INQ000563203;	CY/24 –
INQ000563204].	As can be seen, this was utilised to provide alerts and any specific				

matters which may not be obvious. I have made one reference to “the bank” which was a remark made in light of the Government Banking Service decision to freeze the entire bank account of the DHSC, removing our ability to make any payments for a short period. [CY/8 -INQ000563188]. This unilateral decision by the bank was triggered by the significant change in DHSC spending patterns, rather than any specific procurement assessment or payment [CY/25 - INQ000563181].

24. I have been asked to provide the total number of AO assessments that I considered during the pandemic. This is something which is simply not possible to estimate. I understand that the data team at the Department for Health and Social Care have been unable to assist due to the time constraints on this request, save to be able to confirm that the total number of offers approved between March and June 2020 was 322. This represents an average of 3.74 contracts per day. I am informed that the most approvals on a single day was 11, which happened on 18/05/2020, and again on 01/06/2020.
25. The full and enduring expectations of an AO are set out in section 3.3 of the HMT Guidance Managing Public Money (MPM) **[CY/1 – INQ000496882]**. In any scenario requiring a specific AO assessment to proceed with a course of action as was relevant to myself, the role of the decision maker is to take a rounded decision on a proposal in line with the key tests of regularity, propriety, value of money and feasibility (per section 3.4 MPM) **[CY/1 – INQ000496882]**. These tests are fundamental to any decision involving the expenditure of public funds. Whilst the external environment and thus risk appetite had materially changed as a result of the COVID-19 pandemic, the relevance and applicability of these tests did not change. When I considered a proposal, I would apply these four key tests, which are set out in MPM as follows **[CY/1 – INQ000496882]**:
- a. Regularity – compliant with the relevant legislation (including EU legislation) delegated authorities and following the guidance contained in MPM;
 - b. Propriety – meeting high standards of public conduct, including robust governance and the relevant parliamentary expectations, especially transparency;
 - c. Value for money – ensuring that the organisation's procurement...processes are systematically evaluated to provide confidence about suitability, effectiveness, prudence, quality, good value for the exchequer as a whole, not just for the accounting officer's organisation;
 - d. Feasibility/Deliverability – seeking direction where there is a significant doubt about whether the proposal can be implemented accurately, sustainably or to the intended timetable i.e. was there any doubt as to whether it could be completed.
26. In March 2020, the Cabinet Office published a Procurement Policy Note (PPN 02/20) – "Supplier relief due to COVID-19", which applied to all public bodies including central government departments. At paragraph 8, it stated that: "Central Government organisations should note that Managing Public Money prohibits payment in advance of

need in absence of Treasury consent as this is always novel contentious and repercussive. However, in the circumstances Treasury consent is granted for payments in advance of need where the Accounting Officer is satisfied that a value for money case is made by virtue of securing continuity of supply of critical services in the medium and long term. This consent is capped at 25% of the value of the contract and applies until the end of June 2020." **[CY/26 – INQ000514447]**

27. There were various exceptions to PPN 02/20 and on 4 April 2020, I was written to by George Chapman, the Senior Policy Adviser for Health Spending in HM-Treasury confirming an increase in the DHSC delegated spending limits, the conditions for the increase were as follows **[CY/27 – INQ000551556]**:

- a. Ensure any foreign companies were considered reputable by FCO and the local British Embassy, and ensure assurances had been provided to the Department in writing;
- b. Ensure all equipment has the appropriate medical certification and commercial colleagues have sought and taken all reasonable action to review timestamped pictures of the equipment;
- c. Confirm that all stock will be medically inspected as fit for purpose before distribution to NHS Trusts and/or use;
- d. Ensure commercial teams have reviewed purchase contracts and confirmed they see no terms and conditions that represent unacceptable risk to Government;
- e. Make all reasonable attempts to ensure prices are <25% above the average unit price paid to date;
- f. Ensure the Department AO has signed off each payment given potential issues with propriety, regularity, value for money and feasibility;
- g. Share details with HMT of all individual procurements; including supplier, product type, volume of goods purchased, unit cost, certification details and written assurances from Embassy/FCO;
- h. Provide HMT with a weekly tracker on purchases made and potential upcoming purchases, and how progress tracks against demand in the system; and
- i. Keep any deposit payments and prepayments to a minimum.

28. The DHSC PPE Programme rapidly adapted existing governance methods from the start of the pandemic to ensure a balance of proportionate control, agility and pace. This meant that the commercial teams in the PPE Cell should prepare a submission pack containing a recommendation **[CY/28 – INQ000551568]**, supported by evidence of approval from the Technical Assurance Team; evidence that due diligence had taken place and the outcome of that; a summary of the commercial terms and the commercial team's recommendation. That would then be passed through DHSC's finance team to check the submission and ensure it was ready to be forwarded to the AOs for a decision.

29. A request for approval would therefore ordinarily contain an AO submission pack **[CY/29 - INQ000563183]** with the following to enable application of the above in reaching an AO decision:

- a. Terms and conditions including evidence of acceptance or a summary of terms, highlighting the risks/reasons and subsequent external law firm legal advice (if sought);
- b. The Department's 'Order Form';
- c. Notification of any advance (upfront) payment required in the contract;
- d. The Department's 'New Supplier Form' including bank details;
- e. A PDF supplier letter containing bank details (this would be validated);
- f. Approval by the Clinical and Product Assurance (CaPA) or approval through the MoD quality assurance – this represented the quality assurance that was applied;
- g. Technical documentation including photo and certificates for items;
- h. The Department's 'Requisition Form';
- i. Foreign currency payments form (if appropriate);
- j. Supplier quotation including a comparison to the average price, benchmark process and an explanation of why the offer was reasonable or better to proceed in the circumstances (this would be included in the Order Form);
- k. FCO approval for the company concerned; and
- l. The 'Submission to DHSC Checklist'.

30. In respect of every AO decision I made:

- a. The AO submission pack was critical to enable these decisions to be taken in line with the specific requirements placed on DHSC from HMT.
- b. All decisions were communicated in writing in direct response to an email received requesting an AO approval, to ensure there was an appropriate audit trail. Similarly, any queries on the decision being sought were raised by email in the same manner.
- c. Jon Fundrey and I would copy each other into decision emails containing the rationale as to approvals so we had an understanding of each other's reasoning. We would regularly speak each day about this [CY/30 - INQ000563182]. We did not influence one another's decisions directly, but were applying the same principles and guidance and would be sighted on decisions that each of us had made. We were also provided with the same information, such as data regarding demand, and as such were applying a consistent rationale across the proposals we were asked to assess.

31. I mention the daily briefings provided to the team above. There may also be times when I believed an AO approval decision requested did not align to the headline information provided during those briefings. In such instances, I would seek confirmation that the order was still being recommended in light of the PPE briefing that day.

32. In addition, this could also work the other way where an item may be indicated as being scarce during a PPE briefing but in fact there was a very recent approval that day for a material volume of the product. This would not necessarily mean the AO decision would be to reject the deal; as Jon and I both had to take into account the heightened risk that manufacturers may renege on their contractual commitments and the real prospect of delays in shipping, and delays in production caused by shortages of raw material. Thus, in such instances I would seek assurance from Emily Lawson or Jonathan Marron as the SROs for PPE procurement – there may have been personal endorsement from them providing their view of which items of PPE needed to be procured with particular urgency.

33. Taking all of the above into consideration, the detailed application of the four key AO assessment tests for every decision that was taken by me personally in respect of PPE procurement, was as follows:

- a. Regularity: my AO decisions were continually set against the context of the Ministerial Direction of 29 March 2020, the Cabinet Office published Procurement Policy Note and agreements reached with HM-Treasury [CY/31 - INQ000279919; CY/4 - INQ000279920].; specifically the higher risk appetite acknowledged and changes to non-pandemic delegated spending limits and

approach to upfront payments i.e. recognising that in our spending decisions at this time, we would accept a higher degree of risk than would be acceptable under ordinary, BAU, conditions [CY/32 - INQ000563101].

- b. Propriety: I had to be satisfied that the proposed contract was in the spirit of what public money should be used for and comply with standards of public conduct, including robust governance in performing our duties. One feature of the global market in which we were operating was the near universal practice of suppliers demanding large prepayments in order to secure high-volume deals. Non-UK governments were prepared to agree to such terms, which weakened the UK's negotiation position.
- c. VFM: Again, this was a factor to which I had constant regard. During the earliest phases of the pandemic, prices rocketed exponentially due to global demand for limited stock. I relied on price tracking of what DHSC had paid on each PPE deal over the past 7 days which gave a 7-day average price for each product. Deals were benchmarked against this rolling average, and I endeavoured to approve only those deals within 25% of that benchmark. I recognised that our bargaining power was highly constrained in what was a suppliers' market. In deciding whether a potential contract offered VFM, price was one factor which I considered alongside several others: I took into account the need for the product in question, the scarcity of the product on the relevant market, lead times and confidence in the supplier's ability to deliver.
- d. Feasibility: In each case I asked myself: what is our confidence this deal can provide what it is offering? Will it be fit for purpose? Before the recommended decision was sent to the AO, some form of due diligence was expected and documented appropriately in the AO assessment pack provided, but it is important to understand that the due diligence was looked at by AOs on a risk based and proportionate basis. Because of the extremely time-sensitive nature of many of the offers, the buying team did not have the time to carry out the kind of due diligence which would be done in a BAU situation. DHSC were dealing with a lot of new global suppliers who were not normally in the PPE market and trying to do BAU-style due diligence exercise, often at geographical distance, would have meant losing the deal to someone else if we delayed. Our approach to feasibility therefore reflected the heightened risk appetite and AO decisions that were taken on a balance of risk.

34. It is also important to understand the decisions I made in relation to the technical assurance of products. Given the specialist technical knowledge required, I did not

personally carry out technical assurance; instead placing assurance in the recommendations of those experts tasked with assessing this element of any deal. When I received a submission seeking AO approval, I would look at the technical assurance section and the information provided in support. This was so I could assure myself that the exercise had been carried out and so I could weigh, in my decision making, any risk factors which had been identified by the technical assurance team. I did not have the time to go behind this team's judgement, nor was I qualified to override them on such technical matters. They were professionals and I was entitled to rely on what they told me – particularly in the context of the market.

35. In such circumstances where any part of the AO submission pack was missing or a known issue, I did not need to seek advice as to whether I ought to give approval as I was the individual with delegated authority and had the appropriate experience to make decisions. If the AO pack was missing a piece of information, in the first instance I would revert to the individual who had made the submission to query this. If the information simply were not available, this was a factor which would weigh against approval but it would depend on the importance of the information and its relevance to the assessment that I was carrying out. For example, if the supplier was not known to us and there was an absence of due diligence this would have meant the proposal was less likely to be approved.
36. It is no exaggeration to say that I had a daily and real balance to strike between my AO responsibility as a custodian of the public purse, alongside my responsibilities to assure myself on the appropriateness of deals placed in front of me to support the wider ambition of procuring sufficient PPE in order to save lives. The respective weighting therefore applied to the MPM AO assessment tests is covered later in this statement at paragraph 64 – 68 inclusive.

Access to Information

37. From the perspective of information access and quality; the earliest months of the pandemic, February to May 2020, were the most challenging. The existing supply chain available to the NHS and other known manufacturers and suppliers of PPE, were unable to meet the demand for PPE in the context of the exponential global increase in demand. Management information on national demand and inbound supply levels had therefore developed at pace using many sources, with daily briefings that suggested the NHS was down to a few days' supply of key products. I was keen to ensure that procurement decisions were based on demand and the need for the PPE that we were being asked to approve [CY/33 - INQ000563103].

38. In this period, it was particularly difficult to carry out due diligence on products due to the fast-moving nature of the pandemic and the reliance upon new suppliers and manufacturers. As mentioned earlier; it was a genuine possibility therefore that the AO would be asked to decide upon a deal without a formal due diligence report. In those circumstances, what I understood was happening was that the case worker in the PPE Cell's closing team would carry out some basic internet checks – Companies House and Dun and Bradstreet, for example – which would give DHSC some understanding of the party we were proposing to do business with.
39. My expectation was that DHSC would have contractual remedies in place to address contract default and all products delivered would be tested properly before being deployed into the NHS – these represented key risk mitigations and were a factor in my decision-making as described in paragraph 66 and 67. Had we not secured what we could of the limited PPE product available on the market, especially in the earliest months of the pandemic, we would have ran out of PPE.
40. Although it would have been possible to request further information detailing product suitability; the availability of such information was not guaranteed and to do so brought a natural tension with additional risk the deal in question would be hijacked by a competing nation. As AO, I would of course be mindful of the absence of a Cabinet Office due diligence report and weigh the lesser standard of due diligence with the other factors I had to consider.
41. As set out above, the risk appetite had to be adapted to circumstances in order for us to be able to make decisions. There were a substantial number of new suppliers which meant decisions in terms of approval were more regular and there were a greater number of unknowns. Despite this, the information requested within an AO submission pack and principles upon which AO assessments were taken, remained consistent throughout.
42. The daily briefings resulted in data dashboards being prepared and published, these did not replace the need for an AO submission pack, but helped underpin AO decisions which were made. I cannot comment on the accuracy of the underlying data, but I did rely on it when considering all factors involved in the decision. These dashboards therefore underpinned the email decisions which were received (and this would include the AO submission packs). The demand signal was captured in a series of documents:
- a. A daily excel spreadsheet, known as the PPE Dashboard (“the Dashboard”) which, for each category of PPE, would record known data about inventory, distribution and orders [CY/34 - INQ000563145]. It would contain a tab called “Stock Out” which promulgated the then model's estimate of the number of days stock held by the PPE Cell of each item of PPE – this data was used in

the daily 18:00 meeting and shared daily with Jon, myself and the DHSC Finance Team;

- b. A daily update from the project management office ("the PMO Update") which was circulated in advance with the agenda for the daily 08:30 call [CY/35 – INQ000339143]. This contained a summary version of the Dashboard as well as Status Updates (which explained the main effort for the day ahead) and points for discussion;
 - c. For the 18:00 meetings there would be a PPE daily pick list decision brief ("the Decision Brief") which recorded specific agreed actions from previous 18:00 meetings and slides for issues which would be discussed at that day's meeting [CY/36 - INQ000563097]. It would usually also record the Pick List Decisions from the previous day (*i.e.* what PPE products were the priority and could trusts simply order the quantity they wanted, or were there any special considerations needed to take account of particular shortages);
 - d. An email was sent after the 18:00 meeting which recorded the actions from that meeting but also set the buying priorities for the next day ("the Pick List") [CY/37 - INQ000563179].
 - e. There was also a report on PPE inventory and usage rates ("the Summary Dashboard") [CY/38 - INQ000563176]. This collated lots of evidence about each category of PPE and presented it using tables and graphs.
43. In the context of the high risk tolerance in which we took decisions, if the AO pack did not include sufficient information to make a decision, or failed to explain any obvious gaps in information, it was returned to the DHSC Finance mailbox with no approval. I would be satisfied that the information was sufficient if it answered the queries that I had regarding an assessment and did not raise any issues as part of the process. There was therefore a heavy reliance on the data and information contained in the AO submission pack and Jon and I ensured that all teams followed the appropriate process and made submissions by email thus maintaining an audit trail.
44. There was a point where the management information on stock levels suggested critically low stock levels were predicted for certain products – defined as less than one week stock supply. Jon Fundrey and I agreed with David Williams that we would need to make the decision-making process even more streamlined. In this instance, I provided instructions to the DHSC Finance Team who prepared the AO submission packs for Jon and I, that if all of the conditions placed upon DHSC by HMT were met in a deal and there were no obvious issues with the information provided, they did not need to seek approval from Jon nor myself [CY/39 - INQ000563149].

45. In the context of the situation faced and decisions being made by the AOs, these deals were much less risky and thus little AO specific judgement was required. The DHSC Finance Team were instructed on the specific products this arrangement applied, and told to still seek AO approval should they have any doubts. This arrangement was reviewed on a daily basis and was an example of the AOs collectively agreeing to flex the approach in response to specific management information. This is covered further in paragraphs 58 – 61.
46. During the period of May to July 2020, the DHSC had increasingly robust information and established contacts and relationships with new suppliers and orders could be replicated to ensure that reserves were rebuilt to meet ongoing and sudden changes in demand.
47. In respect of the PPE briefings and the evidence provided to request a specific AO decision, I did not always have access to the quality of information and assurances an AO would ordinarily rely on to inform a decision in non-pandemic times – especially in the earliest months as it simply was not available due to the fast moving nature of the pandemic and the impact this was having in our confidence in important matters like contractual commitments, production lead times and shipping timescales.
48. In a non-pandemic BAU environment, there would be substantial quantities of data obtained for any deal like the ones being considered routinely during the pandemic, but there would be much more time to request and collate such information. Specifically, I would have benefited from much more robust stock level data for individual PPE products, but this wasn't always available. Reliable data for both current and predictive stock levels was adversely affected by the broken, chaotic market in which we were operating.
49. Despite this and in the context of the high risk tolerance in which we were operating, I still felt that the data we did have access to was sufficient to make the decisions we needed to make. The sums of public money involved in the PPE deals were substantial, but that had to be balanced against the risk we faced of failing to procure sufficient PPE in order to save lives. The UK Government were constantly competing with other nations who were prepared to take similar risks and purchase PPE at a higher rate, which meant DHSC had to move quickly or face losing deals completely.
50. I have been asked whether I experienced any difficulties due to the division of the Parallel Supply Chain into separate specialised teams. I did not concern myself with the operating structure of the PPE cell, and did not alter my decisions based upon where a specific proposal had originated from. My decisions were taken on merit and by application of the appropriate rules and principles.

Volume of Information

51. As set out above, the AO approvals process was completed by email so decisions could be tracked, and an audit trail existed for full transparency. The decisions on deals taken by any of the respective AOs would also be reflected in updates in the daily briefings.
52. If one of myself or Jon Fundrey raised a query in respect of a proposal, we would retain personal responsibility, if possible, for seeing that specific query response and approval request through to completion. In the event this wasn't possible, there would be a handover between us, and we always copied each other into emailed queries and questions for such continuity purposes.
53. It was not feasible nor necessary due to the manufacturing and shipping lead times for me to personally follow up any specific deal in respect of whether the products had arrived in the UK or been utilised. Once I had made the decision in line with the guidelines and regulations that would be the end of my specific involvement.

Approach to AO approvals generally and in principle due to scarcity

54. Each of the proposals had been through a proper process with technical assurance and the due diligence carried out as best it could by the relevant subject matter experts. In this context, the source of a proposed deal was not a specific matter I reviewed or challenged, given I saw each proposal as being recommended by the DHSC sourcing team and I relied on their experience and the information I was being provided with to make my decision.
55. As an extension to what I have described earlier; the life of the emergency procurement of PPE fell into, in my mind, two distinct phases:
- a. February to May 2020 ("the Initial Phase"): This Initial Phase, was challenging. The existing supply chain, using the NHS Supply Chain and other known manufacturers and suppliers of PPE, was unable to meet the demand for PPE in the context of the exponential global increase in demand. Reporting on national demand and inbound supply had developed at pace. We were regularly being told that the NHS was down to a few days' supply of key products.
 - b. May to July 2020: During this phase, we had established contacts and relationships with new suppliers and orders could be replicated to ensure that reserves were rebuilt to meet ongoing and sudden changes in demand.
56. In the initial phase it was particularly difficult to carry out due diligence due to the fast-moving nature of the pandemic and the reliance upon new suppliers and manufacturers. Although it may have been possible to have obtained further information, that would have meant further risks of not procuring PPE. As set out above, the risk appetite had to be adapted to circumstances in order for us to be able to make decisions. There were a

substantial number of new suppliers which meant decisions in terms of approval were more regular and there were a greater number of unknowns.

57. I have been provided with INQ000512313 which is correspondence that I drafted regarding a re-balancing of the assurance process following a discussion I had with Emily Lawson. Related to this, I have also been asked to provide my views on the following:

“the table meets the basic sniff tests as laid out in the ... ‘Request for approval of spend against HMT Delegated Funding”.

58. As mentioned earlier; this reflected a collective agreement between myself, Jon Fundrey and David Williams as the AOs, to be even more flexible in respect of PPE which was extremely scarce, and this agreement resulted from a recommendation by Emily Lawson.

59. This did not change the AO criteria on which decisions were taken, nor the evidence required to support the decisions. I was simply explaining in the correspondence that there would need to be a streamlining of the process and that this would be reviewed on a daily basis. This would solely apply to those items which were scarce which was defined as that stock with “under one week’s stock level”.

60. This was drafted as part of confirmation that the AOs were prepared to provide approval in principle. The purpose of this was to remove those “no brainer” decisions. If a proposal comfortably met the approval criteria during the specified period, it did not require Accounting Officer Assessment. This was to be reviewed every 24 hours, it was not a blanket approval. I made clear in all email correspondence that if there was any doubt or concern in those colleagues reviewing the deals; then the proposal must be brought to Jon Fundrey or myself for a decision.

61. Jon and I were always available and had an alerts system, however, the speed at which approval needed to be given meant we had to permit approval in principle otherwise we simply would not have been able to acquire any PPE. The meaning of “basic sniff tests” in this context was therefore saying that should the conditions that we asked to be demonstrated in an approval pack be unequivocally met, then we were content to approve, these tests included but were not limited to:

- a. Due diligence is in place;
- b. Closing team are comfortable with the supplier;
- c. Price was inside tolerance.

62. I have exhibited an email [CY/40 - INQ000563104.] which I sent to the team responsible for making submissions to the which sets out the following key matters which were considered as part of AO approval:

- a. Ensure any foreign companies are considered reputable by FCO and the local British Embassy, and assurances provided to DHSC in writing;

- b. Ensure all equipment has the appropriate medical certification and commercial colleagues have sought and taken all reasonable action to review time-stamped pictures of the equipment;
 - c. Confirm that all stock will be medically inspected as fit for purpose before distribution to NHS Trusts and/or use; Ensure commercial teams have reviewed purchase contracts and confirmed they see no terms and conditions that represent unacceptable risk to Government;
 - d. Make all reasonable attempt to ensure prices are <25% above the average unit price paid to date;
 - e. Keep any deposit payments and prepayments to a minimum.
63. The purpose was to set out the information that the assessor needed to review and doing so through the use of a standard template (form) ensured that the correct information had been provided, and nothing was absent from the proposal [CY/28 - INQ000551568]. This process standardisation ensured governance and minimised the chances of time being wasted checking something which had been missed in error. The form therefore ensured consistency in a system operating under immense stress.
64. I am asked to describe the approach I took to the weighting of information and balancing different criteria in AO decisions. The nature of the pandemic meant that the 4 overarching AO decision tests always remained important, but the application of the various factors driving the rounded decision did evolve.
65. The need to ensure regularity and propriety was prioritised throughout. This meant that the risk appetite of the AOs always had to align to the Ministers who represented the UK Government in order to ensure regularity, and the ultimate objective of not running out of PPE drove our propriety considerations.
66. As I have mentioned earlier; it was however necessary at times during the initial phase specifically to proceed with less technical due diligence on certain deals due to the over-riding priority on mitigating the greatest risk faced, which was running out of PPE and this had to be considered. This was an example of AOs having to be more flexible and apply slightly less weighting on the feasibility criteria in our decision making, in the knowledge the appropriate safeguards were in place to avoid sub-standard products ever entering the NHS.
67. Similarly, at the outset of the pandemic, the stock scarcity also meant it was necessary to accept higher prices due to the acute demand. This was an example of AOs having to be more flexible and apply slightly less weighting on the value for money criteria in our decision making.
68. Moving past the initial stage of the pandemic, through a combination of better management information on national stock levels, new supply chains being established, and confidence

that reserves were being built; it was possible for AOs to adapt our approach and increase the weighting of feasibility and value for money in our decision making on deals.

High Priority Lane

69. I have already set out the approvals process which each assessment went through in order to make a determination, within which I paid no attention as to whether a deal came through the High Priority Lane (HPL) – my AO assessment did not consider this specific matter, but rather placed assurance on the sourcing recommendations of the individuals in the Parallel Supply Chain and as such I acted on their experience.
70. Whilst it was a known and accepted risk given the volatile supplier market that not all deals would likely deliver the PPE as expected, it was a surprise to me that the HPL became an issue after the pandemic as it was not something I was particularly aware of at the time of taking decisions, it was simply another source of proposals which I was required to consider as part of my role. I did not give these proposals any preferential treatment.
71. I cannot recall any supplier name that was referred from the HPL. However, I have considered the exhibits provided by the Inquiry namely [CY/42 - INQ000519105], [CY/43 - INQ0005419123] and [CY/44 - INQ000519143]. It would not have made any difference to my assessment that the notes to approvers stated that it was a High Priority Lane request. The section that I would have been more interested, was that which related to the due diligence and technical assurance which were the assurances from the closing team. I was entirely unaware of the provenance of any deal.
72. I have also considered [CY/45 - INQ000518320] and note that my response did not make any reference to Lord Deighton. I did not view it as relevant that Lord Deighton was on the board, the important consideration to me was that the legitimacy of the company and the bank account upon which funds were to be paid had been considered as part of the assurance process; specifically, the extra work done regarding the bank account mismatch. I had also carried out my own research using the Companies House database to carry out my own due diligence. We relied on the assurances that we were provided with by the closing team in respect of matters such as conflict of interest checks.
73. The approach to HPL did not differ from my standard approach, it was the same in all decisions. If there was information relating to the referrer or supplier this was irrelevant to my decision regarding the assessment. I did not have any concern about the connection of referrers senior officials, the Conservative Party or to other political parties. This was not a consideration, these were independent assessments that needed to be carried out.
74. I can only provide an opinion as to whether any individual received preferential treatment as part of my assessment process. I do not consider that the decision-making process by which I made assessments allowed for anyone, or any company, to receive preferential

treatment as a result of their status as a donor of or with a connection to the Conservative Party or any other major political party. As an individual carrying out assessments, I relied on those in the closing team that they had complied with the civil service code of conduct and their recommendations on suppliers being based on integrity and their technical expertise.

75. I have been asked if any of the following had any effect on decisions to award contracts:
- a. the identity, status and position of the referrer;
 - b. the nature and extent of contact made by or on behalf of the referrer with you and/or other officials or ministers;
 - c. the nature and extent of contact made by or on behalf of the supplier with you and/or other officials or ministers;
 - d. the referrer vouching for the supplier;
 - e. the making of profits by the supplier;
 - f. the level of profits of the supplier;
 - g. the distribution of profits by the supplier, including e.g. to the referrer and to charity;
 - h. declarations about conflicts of interest; and
 - i. the relationship between a referrer and a financial backer of the supplier.
76. In normal non-pandemic BAU circumstances, specifically in relation to government procurement processes and due diligence, the information above would be assessed fully and provide an important part of the overall consideration of whether to enter into a contract. We were not, however, operating in normal circumstances and as per the agreement with Ministers, we were acting with a higher risk appetite in respect. [CY/32 - INQ000563101].
77. The assessment I undertook on all deals had to balance the urgency of the requirement to purchase enough PPE, with a relative sparsity of information. As mentioned throughout this statement; it was necessary to apply sensible due diligence where possible on all deals, including through assurances provided by our Embassies abroad and through Cabinet Office commercial experts (PPE Cell Closing Teams), consistent with the need to move at pace.
78. As a result, the information on which AO assessments were taken focused on the information/decision factors agreed with HMT, subsequently captured within the AO submission packs, which enabled decisions to be taken at pace against the four key AO tests referenced earlier.
79. On that basis; the specific factors in paragraph 75 may have been considered by the PPE Cell's Closing Teams as part of their due diligence and recommendations, but as such they

did not directly form part of my decision, which was based on the overall assurance and recommendations made to me.

Challenges and Lessons Learned

80. In my opinion, there ought to be proper consideration going forward as to whether there is a place for prioritising known suppliers, or those suppliers referred by trusted scenarios. This is particularly pertinent in any future scenario where demand for PPE, or other healthcare product, materially outstrips global supply such as during the pandemic. I have set out already the issues that the AOs encountered in relation to timely and accessible data. It would have been particularly helpful if we had been able to access to reliable and up to date information, such as stock quantities held at end user level, from the outset of the pandemic. This would have allowed us to more robustly challenge the proposals and to prioritise the products that were being procured. Finally, I feel that despite the best attempts of all civil servants to find common ground; the risk appetite for procurement of PPE of HMT Ministers was not always aligned with that of the Prime Minister and DHSC. I found that particularly at the outset of the pandemic, where the focus was on obtaining PPE in order to save lives, the need for fast paced decision making was not compatible with the requests for information that were being made by HMT. These requests, whilst well-intentioned, were for information which was not readily available and distracted people from the immediate priority that had been communicated by the Prime Minister and DHSC Ministers.

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.

Name: Chris Young

Date: 10 February 2025

Signature: Personal Data