

Witness: Lord Chadlington

Statement No.: 1

Date: 13 December 2014

UK COVID-19 INQUIRY

FIRST WITNESS STATEMENT OF LORD CHADLINGTON

I, Lord Chadlington, will say as follows:

Introduction

1. I make this witness statement to assist the UK Covid-19 Inquiry (the **Inquiry**) in response to a Rule 9 Request dated 29 August 2023. Throughout this statement I will use the structure and headings as contained in the Request, adding further headings where it assists to signpost my evidence.
2. The Request asks that I produce a witness statement responding to a list of specific questions regarding any involvement I had in the procurement and distribution of key healthcare equipment and supplies during the Covid-19 pandemic (the **Pandemic**).
3. This witness statement was taken after communicating with my legal representatives in telephone calls and remote meetings and by e-mail. The facts and matters set out in this witness statement are within my own knowledge unless otherwise stated, and I believe them to be true. Where I refer to information supplied by others, the source of the information is identified. Facts and matters derived from other sources are true to the best of my knowledge and belief.
4. I provide this witness statement to the Inquiry together with documents to which I will refer in the course of this statement. I refer to these documents as **[LC/X [INQ]]**, where **X** is the reference number and **INQ** is the INQ number assigned to the document by the Inquiry.

5. Having reviewed the Request, and having reviewed my files, which include communications held on my electronic devices, I believe that there are two instances where I provided limited assistance to companies seeking to provide PPE to the Government during the Pandemic. Both instances took place at the very early stages of the Pandemic shortly after Matt Hancock, who was then Secretary of State for Health, issued a public request for parties with access to PPE to reach out to the Government.

Summary

6. As I will explain below, I was a non-executive director, and later non-executive Chairman, of Sumner Group Holdings Limited (**SGHL**), which was the holding company of a group of companies. I held this position for just over a year. As the non-executive Chairman, I had no involvement in the day-to-day operation of SGHL or any of its subsidiaries. I understood that one of the companies in the group had access to PPE. At a time of national emergency, and in response to the Government's public call for assistance in respect of obtaining PPE, I introduced SGHL's owner to Andrew Feldman who was, at the time, working as an unpaid advisor to DHSC to assist with efforts to secure PPE from industry. I also made a separate introduction to Lord Feldman of a personal contact whose company I understood had access to PPE.
7. In both cases, I effected the introductions without advocating on behalf of the people who I was introducing and/or the companies they represented. I then stood back and had no involvement in any subsequent discussions between them and the Government. I was not aware of any 'High Priority Lane' (**HPL**) and had no role in the establishment, operation, and/or supervision of it.
8. I address these two instances below, together with any relevant information of which I am aware to assist the Inquiry.

Background

9. I have spent most of my 60-year career in the commercial world working as Chairman and/or Chief Executive Officer of publicly-traded companies in the communications, advertising, and PR industries. Since I retired from my last full-time employment, I have been an advisor and investor, as well as providing strategic, communications, and marketing advice to a wide range of businesses and not-for-profit organisations.

10. Most of the client businesses with whom I work are start-ups, early-stage companies or small companies where I can use my experience, knowledge, and network of contacts to help them build their businesses. As with any investment portfolio, a very small number of these companies become great successes – the majority survive but do not become great successes, and some fail completely.
11. In 1999, I founded Chadlington Consultancy Limited, which is owned by my wife and by me, through which I provide the consultancy services mentioned above.
12. I have also taken on various directorships and other roles at different companies and organisations. Between 2018 to 2022, I held various statutory directorships at different companies and organisations, some of which I continue to hold:
 - a. As noted above, since February 1999, I have been a director of the Chadlington Consultancy Limited.
 - b. Since March 2002, I have been a director of Hill Hay Saddle Limited.
 - c. Between April 2007 and January 2018, I was a director of Dean and Chadlington Summer Music Festival.
 - d. Between July 2011 and July 2019, I was a director of the Ditchley Foundation.
 - e. Between November 2011 and March 2021, I was a director of Sponsored Therapy for Addiction Related Rehabilitation.
 - f. Between May 2014 and May 2022, I was a director of the Conservative Party Foundation Limited.
 - g. Between October 2014 and October 2020, I was a LLP Member of Frost Brooks One LLP.
 - h. Between July 2018 and July 2021, I was a director of SGHL. I agreed to become non-executive Chairman of SGHL in April 2020 and began the role in June 2020.
 - i. Between September 2018 and February 2024, I was a director of Rude Health Consulting Limited.
 - j. Between December 2018 and May 2022, I was a director of GPW Group Ltd (GPW).
 - k. Between July 2020 and May 2022, I was a director of GPW Sovereign Debt Advisors Ltd.

- i. Between March 2021 and October 2023, I was a director of Power By Britishvolt Limited.
 - m. Although I cannot recall the precise dates, I was, for some of this period, a director of Houbara Communications, based in the Dubai, United Arab Emirates, and also a member of the international advisory board of Equilibrium Gulf, based in Bahrain.
- 13. I also set out, for the sake of completeness, my roles between 2018 to 2022 at various companies or organisations which were or are non-trading:
 - a. Since June 2021, I have been a director of Chadlington Holdings Limited.
 - b. Between March 2013 and September 2019, I was a director of Ten Public Relations Limited.
 - c. Between March 2013 and January 2022, I was a director of Ten Digital Limited.
 - d. Between May 2014 and May 2022, I was a director of the Conservative Party Foundation Limited.
 - e. Between December 2015 and August 2024, I was a director of Chadlington Unlimited.
 - f. I was also a trustee of Action Against Gambling Harms until February 2023. I cannot recall the precise date I became a trustee.
- 14. In 1996, I was created a Conservative working peer, with the title of Baron Chadlington, of Dean in the County of Oxfordshire. Serving in the House of Lords has been the greatest privilege of my professional life. I take my role very seriously and have always sought to fulfil my responsibilities properly and thoroughly, including abiding by the spirit and letter of the Code of Conduct.
- 15. I have supported the Conservative Party for all my adult life, and have been actively involved in politics at a local and national level throughout. I have supported the local party both in London and in the country where I was President of the Witney Conservative Association. Over these more than six decades working with and supporting the Conservative Party, I have made close personal friendships with many senior Conservative Party politicians. Many of these friendships pre-date my parliamentary career.
- 16. I have never lobbied on behalf of any of the businesses with which I am associated, including those which I discuss below, and will never do so. I have made this

position very clear in any business relationship which I establish. It is a matter of personal integrity that I retain my independence by making the necessary disclosures of any directorships and interests I hold in the Members of the Lords Register of Interests.

17. I also consider it to be my civic duty to participate in public life in as open and transparent a way as possible, including in my engagement with processes such as this. I have therefore chosen to err on the side of caution in my approach to disclosure and preparing this witness statement.

My introduction to Sumner Group Holdings Limited

18. As I explain in the following paragraphs and below, my relationship with SGHL, and in particular my role as Chairman of SGHL, was relatively short-lived. I was a director for 3 years, between July 2018 and July 2021. I was a Chairman from June 2020 until July 2021, being just over a year.
19. During my time as a Chairman and a director of GPW, a fellow director asked me if I could help find a new Chairman for one of David Sumner's companies, who had previously been a GPW client. I met Mr Sumner and Jide Zeitlin, who had worked with Mr Sumner for some time in a non-executive capacity and who was also Chairman and Chief Executive Officer of Tapestry, Inc., a Fortune 500 company, and who had previously been a Chief Operating Officer at Goldman Sachs.
20. I established a good relationship with Mr Sumner and Mr Zeitlin, and they subsequently asked if I would be interested in joining the board of directors of SGHL (the **SGHL Board**), Mr Sumner's non-trading holding company, as a non-executive director. I agreed. In around April 2020, Mr Sumner asked me to take on the role of non-executive Chairman, to which I also agreed. I became Chairman in June 2020. SGHL separately engaged Chadlington Consultancy to provide consultancy services focusing on communications and marketing.
21. Additionally, all non-executive directors were provided with a small number of growth shares in the holding company, SGHL, the value of which was dependent on the success of all of the subsidiaries in the group. As I understood it at the time, on a fully diluted basis, Mr Sumner continued to hold in excess of 75% of the shares in SGHL.
22. SGHL was a non-trading holding company of a group of companies, all controlled by Mr Sumner, of which one was SG Recruitment UK Limited (**SGRL**). As I understood it at the time, SGRL was a wholly-owned subsidiary of SGHL. As a non-

executive director of the non-trading holding company, I did not hold any role or interest in SGRL or any of SGHL's other subsidiaries and was not involved in their day-to-day operation.

23. The SGHL group was, to my mind, effectively a start-up business. Mr Sumner was the Chief Executive Officer SGHL (the holding company) and all its subsidiaries. Mr Sumner told the SGHL Board that he intended to scale this group into a business conglomerate, operating in various industries, including healthcare and defence.
24. As a non-executive director, whose experience was in advising particularly small businesses on how to build and grow successfully, my role was to sit on the SGHL Board and help Mr Sumner execute his business strategy. I had no involvement in the day-to-day operation of SGHL or any of its subsidiaries.
25. As Chairman of SGHL, it was incumbent on me and my fellow non-executive directors to ensure that the business was operating properly and in compliance with all applicable rules and regulations. To this end, in addition to benefiting from Mr Zeitlin's significant global business experience, shortly after beginning my role as Chairman, I invited Sir Michael Snyder, who was at the time a non-executive director and later acting Chairman at Metro Bank and was a senior Partner at the accountancy firm, Kingston Smith, to join the SGHL Board as a non-executive director. We asked Sir Michael to assist the SGHL Board in ensuring that SGHL was compliant and that appropriate financial systems were in place.
26. However, as set out at paragraphs 76-81 below, within a few months of me becoming Chairman of SGHL, my fellow directors and I became increasingly concerned and eventually lost confidence in Mr Sumner and his businesses, resulting in the entire SGHL Board – excluding Mr Sumner – resigning in summer 2021. Despite various assurances from Mr Sumner regarding outstanding payments, in early 2022, we initiated a winding-up order against the company.
27. Whilst the decision to join the SGHL Board was mine and mine alone, with the benefit of hindsight, I regret not undertaking more due diligence on SGHL and Mr Sumner. Ordinarily, when considering taking on a directorship role at a company, I would meet board members, employees and clients, review the company's public records, and conduct other industry research. However, because I was introduced to SGHL by a fellow director of GPW, and that I had confidence in the pedigree of GPW's client list and SGHL's association with Mr Zeitlin, who I considered – and

still consider – to be highly experienced and knowledgeable businessman, I perhaps too quickly accepted the invitation to join the SGHL Board.

SGHL's role in PPE procurement

28. During the period 2020-2021, I was in regular contact with Mr Sumner and with the other members of SGHL Board. We would regularly have telephone calls, exchange e-mails, and hold board meetings. My primary concern was fulfilling my duties as non-executive director and Chairman. Along with fellow non-executive directors, Mr Zeitlin and later Sir Michael, I constantly asked questions of Mr Sumner about how the business was being managed and, as non-executive directors, we often discussed these matters between ourselves.
29. As set out above, Mr Sumner, as with lots of entrepreneurs, envisaged growing his business from very small beginnings into a conglomerate spanning several industries. As one SGHL subsidiary, which I believe – but cannot be certain – was SGRL (though we would generally refer to it as "*Sumner Health*"), already had experience in healthcare, particularly in the provision of nurses to NHS trusts, and there was significant demand at the time for PPE, Mr Sumner focused his energies during the early stages of the Pandemic on obtaining PPE contracts for the provision of PPE both in the UK and internationally.
30. Mr Sumner told the SGHL Board that there were a significant number of potential contracts under discussion. The exchanges set out below, therefore, relate only to the contracts with the Department of Health and Social Care (**DHSC**) that are the subject of the Request – but these represent a very small percentage of the total amount of contracts which Mr Sumner discussed with the SGHL Board.

April 2020: Government requests assistance with PPE

31. The first UK national lockdown was announced on 23 March 2020.
32. On 10 April 2020, during a Downing Street press briefing, Mr Hancock issued a request for parties with access to PPE to reach out to the Government:

"Today, I want to address what we are doing to make sure that we have enough PPE, protective equipment, and to make sure that it gets to the right people. The goal I've set is that everyone working in a critical role must get the PPE that they need.

[...]

I want to be frank about the challenges our plan is designed to overcome. First, there is a huge international demand for PPE and a global squeeze on supply. Compounding this, some countries have placed export bans and other restrictions on PPE as they look to secure their domestic needs.

Next, there's high demand for PPE from within the UK. So, everyone should use this equipment, use the equipment they clinically need, in line with the guidelines, no more and no less.

Then, of course, there's the challenge of distribution. The sheer quantity and type of PPE needed has radically changed because of coronavirus. Many parts of the NHS and social care have never had to rely on weekly PPE deliveries before. In normal times, the NHS supply chain for protective equipment supplies 233 hospital trusts. Right now, 58,000 separate health and care providers need PPE.

[...]

So, if you've got production facilities and you can meet our published technical specifications, we want to hear from you so we can make this kit here in Britain that will keep people safe. This is our comprehensive PPE plan to protect the people who protect us to make sure they have the kit they need to do their jobs safely and with confidence."

33. Shortly after Mr Hancock's press briefing, Mr Sumner drew my attention to the call for assistance and pointed out that one of SGHL's subsidiaries was already providing nurses to various NHS trusts. I cannot precisely recall but I believe that this was on a telephone call. I believe that he asked if I could help find out whom he should contact. I responded that I would see what I could find out.
34. I viewed Mr Hancock's call for help as a direct appeal from the Government for assistance at a critical stage of the PPE crisis. This was a national emergency, to which individuals and companies were being urged to respond. As someone on the board of a holding company with a subsidiary operating in the healthcare industry, I felt it was my public duty to help in any way I could.
35. Throughout my time at SGHL, I was not aware of the HPL or 'VIP Lane'. I had no role in the establishment of the HPL or in the operation and/or supervision of it. Insofar as I understand it, the term 'HPL' has been applied in retrospect and was not used at the time. I did not become aware of the term HPL until after I had left the company.

36. Indeed, I note that the Government's webpage on PPE procurement states that offers of PPE of different kinds were processed through the High Priority inbox, and that people who referred potential suppliers were not made aware of any High Priority inbox:

"The suppliers, and indeed those who referred them, were not notified that their offer was processed through the mailbox. This was not a separate channel for suppliers to provide offers to government; rather, it was an internal process set up for handling such offers.

*As the information set out shows, the range of suppliers successfully processed through the high priority route was wide. They came from within government and outside, via politicians and civil servants, from healthcare professionals and commercial experts. The list also reflects the number of different types of 'referral', ranging from offers that were simply forwarded by staff working in ministerial private offices and personal referrals from MPs, to suppliers passed on by healthcare professionals and offers referred by the NHS's existing supply chain – SCCL."*¹

19 April 2020: Introduction of Mr Sumner to Lord Feldman

37. I have been close friends with David Cameron since the early 2000s. We first met through the Witney Conservative Association, when he was a prospective parliamentary candidate for the constituency of Witney.
38. In the morning of 19 April 2020, at 7:13am, I sent a text message to Lord Cameron stating: *"One of the companies with which I work has 1m masks. And some other PPE. Do you have any contact details for Lord Deighton? I could get them into system today."* [LC/01 [INQ000510455]]. On the same day, Lord Cameron responded *"Yes. Feldman also doing this. No I don't seem to. George will."* Lord Cameron also attached Lord Feldman's telephone number [LC/02 [INQ000510456]]. I assume that "George" referred to George Osborne, with whom I was also – and remain – friends.
39. Later on 19 April 2020, I had the following communications with Mr Sumner and Lord Feldman:
- a. At 7:34am, I sent a text message to Lord Feldman stating, *"Andrew. I work with company with PPE. D says you are helping. Shall I put you in touch? Peter"*

¹ <https://www.gov.uk/government/news/ppe-procurement-in-the-early-pandemic>

[LC/03 [INQ000510457]]. "D" referred to Lord Cameron. Lord Feldman responded on the same day stating, *"Yes please. Best to use my DHSC email address – Andrew.feldman@dhsc.gov.uk thanks very much Andrew"*.

- b. At 8:04am, I e-mailed Mr Sumner and Lord Feldman using the e-mail address I had been provided, stating, *"David. This is my friend Andrew Feldman. He can help you with PPE we discussed this morning. Drop me off chain. Peter"* **[LC/04 [INQ000510458]]**. In asking Mr Sumner and Lord Feldman to *"drop me off chain"*, I was demonstrating that I did not want any involvement in any discussions regarding any contracts. I was not involved in any further communications between Mr Sumner and Lord Feldman.
- c. I then responded to an e-mail from Mr Sumner sending me a link regarding the provision of PPE to the Government by stating, *"Yes I saw this. Did we get any PPE into the order through Andrew this morning? Peter"* **[LC/05 [INQ000510459]]**. Although I had been dropped off the chain at my own instigation, not wanting to be involved in those discussions, I remained keen to know the outcome and whether SGHL's businesses would be able to assist the Government with its PPE requirements. I do not recall if Mr Sumner responded.
40. I understood from subsequent e-mails which Mr Sumner forwarded to me (set out at paragraph 49 below) and conversations with him that he had then contacted Lord Feldman and outlined the services he could provide and was then put in contact with the civil servants working on the procurement of PPE.
41. Apart from receiving periodic updates from Mr Sumner, which I describe below, I was not involved in any subsequent discussions, or in the negotiations regarding the awarding of contracts for the supply of PPE to SGRL. For the avoidance of doubt, I was never involved in any discussions of any commercial substance with DHSC on behalf of SGHL or SGRL. Other than as stated in this witness statement, I never had any contact on these matters with any ministers, civil servants, the Cabinet Office, or anyone involved in the procurement process. By way of context, I note that the House of Lords Commissioner for Standards carried out two investigations into my conduct. I do not exhibit those reports and I do not rely on their contents in support of my evidence, because to do so would be contrary to parliamentary privilege, but I mention them as background and provide more information at paragraphs 84-87 below.
42. In making this introduction to Lord Feldman, I did not lobby on SGHL's behalf, or on behalf of any other party.

20 April 2020: Introduction of Nick Mason to Lord Feldman

43. The next day, 20 April 2020, I received a telephone call from a number I did not recognise. I was not available to speak so sent a text message stating, *"Sorry, I can't talk right now."* [LC/07 [INQ000510461]]. The person responded stating:

"No problem. This is very out of the blue and may not be something you can help with, but I am calling for a word of guidance - a friend in China has access to a huge stock of regulation grade PPE and wants to sell at cost. Already selling to Canada. He's asked me to find a buyer in the UK. I assume Gov as a buyer is best and I thought you might have an idea who to talk to. Not to worry if this is not something you have time/inclination to deal with!"

44. I responded to this message stating, *"Sorry. Not sure who this is!"*, to which the person responded, *"Sorry, Peter. It's Nick Mason!"* Mr Mason is a family friend. Having realised it was him, I replied, *"Ha ha. Yes. I will put you in touch with someone later with whom I am working on this."*

45. I then sent a further e-mail to Lord Feldman, copying Mr Mason, stating, *"Nick's family are good friends with Davids and with ours. He has access also to some PPE which may help in current crisis. Nick outline to Andrew what you can provide. Peter"* [LC/08 [INQ000510462]]. I do not know if anything ever came of this introduction, or if a contract was ever awarded.

46. This and my introduction of Mr Sumner to Lord Feldman was the extent of my involvement in the procurement of PPE. I was never asked to intervene in the process for the award or refusal to award contracts to potential suppliers, and, apart from making those two introductions, I never did. I was also not approached by any potential suppliers for whom I refused to make an introduction.

47. Behind these introductions was my assumption, based both on my knowledge of Government and based on Mr Hancock's reference in his press briefing dated 10 April 2020 to the need to meet the Government's *"technical specifications"* and *"comprehensive PPE plan"*, that there was a sophisticated Government procurement programme which would take up these leads, evaluate them, and put in place the necessary checks and balances to ensure that they went through the appropriate processes and procedures.

48. I did not, in either e-mail to Lord Feldman introducing Mr Sumner or Mr Mason, mention a company name or – apart from saying that they have access to PPE – say anything about any specific company, let alone advocate on their behalf. I am

clear that nothing that I have described in this witness statement amounts to "lobbying" or crosses the line into anything inappropriate.

Subsequent communications

49. On 20 and 21 April 2020, Mr Sumner forwarded me an e-mail exchange he shared with Lord Feldman, in which Lord Feldman made clear what the DHSC were focusing on in terms of PPE needs and Mr Sumner made clear SGHL's capabilities and how it could assist [LC/09 [INQ000510463]]. I responded to these e-mails with words of encouragement for Mr Sumner, *"Brilliant. Keep going."* [LC/10 [INQ000510464]], *"This would be good news if we could make this happen."* [LC/11 [INQ000510465]], and *"Excellent. Looks like you have an inside track. Good luck."* [LC/12 [INQ000510466]].
50. I cannot recall exactly what I meant by *"Looks like you have an inside track"* at the time. On reflection, I believe I meant that my introduction of Mr Sumner to Lord Feldman appeared to have helped in Mr Sumner's attempt to secure for his business a contract to provide PPE to DHSC in response to Mr Hancock's public call for help. I was pleased to have made the introduction to assist with this process, both in terms of helping the country during a national crisis and in terms of being of assistance to the SGHL group.
51. On 26 April 2020, I responded to an e-mail which Mr Sumner had sent to me stating, *"Fingers duly crossed. Lets have a chat when we know where we are and what happens next, future orders etc. I should – after chatting to you – talk to DC and to Feldman – they've been battling for us on this and I want to say thanks for support. Peter"* [LC/13 [INQ000510467]]. Mr Sumner replied, *"Most definitely. I will call as soon as payment confirmed which I expect will be tomorrow. DC and AF have been very supportive"*, to which I responded, *"Yes. Once money is in the bank we can discuss next steps. Have a good evening and speak tomorrow. Peter"*.
52. As a matter of courtesy, I intended to speak to Lord Cameron to thank him for providing Lord Feldman's contact details, and to thank Lord Feldman for speaking with Mr Sumner. I do not recall subsequently having a conversation with Mr Sumner about this, or speaking to Lord Cameron or Lord Feldman as I suggested I might do.
53. On 28 April 2020, Mr Sumner and I exchanged e-mails in which I asked if the business carries out checks on the goods it was purchasing [LC/14 [INQ000510468]]. I had already been in discussions with Mr Sumner about this,

advising him of the importance of having an independent body inspect and check the goods to ensure that they were of appropriate quality. I regarded this as essential and normal practice, and I was adamant – as I am with all businesses with which I work – that we had to be sure that the highest quality standards were met.

54. On 6 May 2020, Mr Mason e-mailed me thanking me for introducing him to Lord Feldman [LC/15 [INQ000510469]]. He stated: *"I'm still helping my contact go through the first DD hurdle, but hopefully his PPE is acceptable and reasonably priced as promised"*. He went on to explain that his company had capability to support health status certification and to ask if I *"might be interested in helping [him] explain the solution and its importance to a decision-maker in UK Gov"*, and asked to speak on a telephone call. I responded providing my mobile number and saying that he could call me any morning the week after. We agreed to speak on 12 May 2020. I do not recall if this telephone call took place, and I cannot see from reviewing my communications that anything came of this.

55. On 8 May 2020, I e-mailed Mr Sumner asking him to *"send me the details of our insurance cover on these deals"* [LC/16 [INQ000510470]]. I was keen to ensure that everything was being done properly. I then e-mailed Mr Sumner stating:

"David – I am not initiating anything with Feldman yet. But when we have safely delivered the first order, I will call him and ask him to do a sanity check for us and give us feedback on what we have done wrong, what we could do better and how the whole process in general – and how we in particular – are being viewed. I don't see any point in doing this before something is actually completed. All they will say is "The pudding is in the eating – and we haven't seen any pudding yet!" Peter".

56. Again, I was keen to ensure that the Government was happy with the services being provided, particularly given that I had introduced Mr Sumner to Lord Feldman. I would often seek feedback from clients of companies with which I worked to see if we could improve the services we provided. I do not recall following up with Lord Feldman as I had initially suggested to Mr Sumner.

57. On 28 May 2020, Mr Sumner sent me a text message stating *"\$135m of revenue under contract from DHSC for the two contracts!"* [LC/17 [INQ000510471]]. I responded *"Great news. Buying those shares back is going to be more expensive I fear."*

58. For context, Mr Sumner had previously informed the SGHL Board that he was in the process of buying back shares from ex-employees to restructure his business. I was therefore commenting that if these DHSC contracts were confirmed, it followed that the value of the shares he wished to buy back would increase.
59. While Mr Sumner referred to *"the two contracts"* with a value of \$135million, as I remember it, the SGHL Board was only made aware that one of these contracts – which we understood to be in the value of approximately £20million – was ever awarded. I subsequently learned from media reporting that two contracts were awarded by DHSC to SGRL in the value of approximately £50million.
60. On 6 June 2020, I had the following communications with Mr Sumner and Matt Hancock, who I had known for several years, long before he became Secretary of State for Health:
- a. At 7:27am, Mr Sumner sent me a text message asking if I was free to speak [LC/18 [INQ000510472]]. I cannot precisely recall, but we must have spoken about the possibility of one of SGHL's businesses providing nitrile gloves to DHSC. He sent me an e-mail on the same day regarding his business's capability to source nitrile gloves and provide them to DHSC [LC/19 [INQ000510473], LC/20 [INQ000510474]].
 - b. I responded as follows:

"I think I should send a text that says – "I chair a company which is already providing PPE to DHSC and wants to provide nitrile gloves as part of your industry partnership initiative. Can you tell me to whom they should speak?" Do we need to say more than this at the moment? Peter" [LC/21 [INQ000510475]].

This was, of course, loose language, as the company I chaired, SGHL, was not providing PPE. It was being provided by SGHL subsidiary SGRL.
 - c. At 5:21pm, I sent a text message to Mr Hancock stating: *"I chair a company which can provide nitrile gloves as part of your industry partnership initiative. Who do they talk to? Peter"* [LC/22 [INQ000510476]]. Mr Hancock replied, *"Lord Deighton. Hope all well with you"*. I responded, *"Fine you too I hope. Have you contact for Deighton. May I say you suggested we got in touch? P"*, to which Mr Hancock responded, *"Yes of course"*. Irrelevant & Sensitive
 - d. I sent a further e-mail to Mr Sumner stating:

"Had a text exchange with Matt. The contact for this is Lord Deighton. His private email address is [Irrelevant & Sensitive]

You should start your email by saying this 'Our Chairman, Lord Chadlington, contacted Matt Hancock about the urgent need for nitrile gloves. We are immediately able to help with this.

Then go on to explain what you can do. Try and cut down your letter into a shorter email – so forget about the credentials (except you are already a PPE supplier to DHSC). I mean your credentials are there in that (sorry to be immodest!) because I am your Chairman and the SoS has recommended you talk to each other. Get the offer in fast – This is what I can immediately provide.

If you wanted me to look at draft in the morning before you send it to Paul Deighton I would be delighted to review it. He won't do anything with it early on a Sunday morning!" [LC/23 [INQ000510477]]

I make two important points to provide context to this e-mail. First, my significant experience and expertise, and my track record of helping build and grow businesses, is the reason why I, like other successful and experienced businesspeople, am asked to join businesses in non-executive positions. In referring to "credentials", I meant that my role of non-executive Chairman of SGHL gave the business credibility. Secondly, as can be seen in the example at paragraph 61 below, I was also consistently of the view that Mr Sumner would make these types of e-mails unnecessarily prosaic and long-winded. I would regularly encourage him to be more succinct in his drafting, as I was in this e-mail where I told him to be brief in outlining his credentials.

e. At 10:54pm, I sent a text message to Mr Sumner stating, *"Sent you contact details following my exchange with Matt. Sent you email. Peter"*, to which he responded, *"Received with many thanks"* [LC/18 [INQ000510472]].

61. On 7 June 2020, Mr Sumner sent me a draft e-mail to DHSC as I had invited him to do in my e-mail the previous day. I thought his e-mail was far too long and offered some suggestions:

"You must do what you wish to do but if this was my email, I would shorten it dramatically – making sure he could read it in a very few moments and then either react personally (but that may be too big an ask) or send it to someone who will. In the end we only want to know one thing "How do we become an

industry partner?" But its your email – I just know how these guys work! The shorter and quicker the ask the better. Good luck – Peter" [LC/24 [INQ000510478]].

62. On 17 June 2020, Mr Sumner sent me a group of text messages stating: *"Have been emailed by DHSC"; "They want the glove order and have sent draft!"; "Looks like an initial half a billion"; and "Gloves" [LC/25 [INQ000510479]].* These messages were referencing the potential contract about which we had exchanged communications as set out above.
63. On 18 June 2020, consistent with the responsibility I felt as Chairman – a role I had begun that month – to ensure that the business (as with any business with which I worked) operated properly and in accordance with the highest possible standards, I sent an e-mail to Mr Sumner outlining the importance of doing so: *"We have the beginning of a really important business and the reputational, ethical behaviour of our business is so very important to us as individuals, our employees and our future. Lets try and talk later in the day when you are ready. Peter" [LC/26 [INQ000510480]].* I do not recall having a conversation with Mr Sumner about this later that day.
64. On 13 August 2020, Mr Sumner forwarded me a text message which he had received from someone who had previously worked with him stating, *"Bumped into Matt Hancock on polzeath beach earlier his kids where in same surf school as mine", "I said thanks for all his 'efforts' mentioned to him that SG R are supporting with supply of PPE and coveralls", and "He said fantastic and good to be part of the team" [LC/27 [INQ000510481]].* After confirming that the messages had been forwarded from a third-party, I responded, *"Good to have ambassadors around".*
65. On 13 September 2020, I sent an e-mail to Mr Sumner stating, *"When I was talking to Philip Dunne and talking about your company he said "You sound like an outsourced procurement department for Governments and for business" ! I liked that - and I have only slightly editorialised what he said." [LC/28 [INQ000510482]].* I recall that I had had a conversation with Mr Dunne in which I described Mr Sumner's business, and the fact that it was a start-up conglomerate that had not yet found a common theme for the various businesses across the group. I therefore liked the sound of Mr Dunne's description, which leaned on the fact that the SGHL group of companies was seeking to become a go-to supplier for the Government.
66. On 15 September 2020, Mr Sumner sent me a text message stating *"I have just spoken to the cabinet office – we should receive the tender document for the nitrile*

gloves plant by mid oct so progress there" [LC/29 [INQ000510483]]. Mr Sumner was referring to an idea he had to build a plant to produce nitrile gloves in the UK which he believed would help prepare the country for any future pandemics.

67. On 1 January 2021, I read an article in that day's edition of the *Daily Mail* about the NHS's need for nurses. I sent Mr Sumner a text, referring to the article as I thought that this was an opportunity to help the NHS via SGRL: "*P4 of Daily Mail this morning. NHS crying out for nurses etc. Can we provide more through Sumner Health?*" [LC/30 [INQ000510484]]. Mr Sumner responded, "*Yes we can – we are currently interviewing for Leeds Brighton ashmore and royal berks – we have more nurses – will take a read – and Happy Nee Year !*".

68. On 21 April 2021, I e-mailed Sir Michael, stating:

"....this afternoon DHSS procurement have asked us to quote on a huge (and I mean huge!) contract for nitrile gloves. Irrespective of the money involved (and David will know more on the call with procurement tomorrow) this says three things to me – first, they have no doubts about our legitimacy: second the Daily Mail has had no effect on them: third, we must have done a good job first time around" [LC/31 [INQ000510485]].

69. Later on the same day, 21 April 2021, I sent a text message to Mr Sumner stating, "*I think you should talk to Snyder about whether you can mention being on HMG procurement list. They should (I emphasise should) have done considerable DD to include us on their list for PPE. I think it's well worth considering. Peter*" [LC/32 [INQ000510486]]. I was raising the possibility of Mr Sumner publicly referring to his business being on the Government's procurement list for marketing purposes. I was evidently operating on the assumption – as set out at paragraph 47 above – that the Government's procurement programme would have carried out a thorough due diligence exercise on any relevant company and, as such, that inclusion on the Government's procurement list was a positive thing.

70. In mentioning "*the Daily Mail*", I was referring to a *Daily Mail* article published in December 2020 about Mr Sumner and my association with him and his company. The article was unpleasant and upsetting and sought to tarnish my reputation. I was relieved that, despite the article, the Government was still keen on working with businesses with which I was associated. I was also, of course, pleased that it appeared that DHSC was satisfied with SGRL's performance and was willing to engage with it further.

71. While I was not involved in the awarding of contracts for PPE, I was proud that, by making the necessary introductions, I had played a very small role in helping the country during a national emergency.
72. On 15 November 2021, several months after I had left SGHL, I received an e-mail from HPLQueries@dhsc.gov.uk attaching a letter from Peter Howitt, Director of PPE Policy and Strategy at DHSC to notify me of the publication of the list of suppliers processed through the HPL [LC/33 [INQ000510487], LC/34 [INQ000510488]].
73. The letter reiterated the difficulties the Government faced in sourcing PPE in the early part of the Pandemic, stating that, *"The rapid rise in international infection rates during the early stages of the pandemic created unprecedented demand for PPE"*, and expressing the Government's appreciation for those who responded to Mr Hancock's request for assistance: *"We are incredibly grateful for the breadth and depth of the response from companies to the Prime Minister's 'call to arms'"*.
74. The letter also confirmed that individuals who referred potential suppliers to the HPL were not aware of the existence of any HPL or aware of any details as to how their referral would be processed:
- "The Government appreciates many of the individuals who suggested suppliers will be unaware that their referral went on to be treated as a "high priority case". We want to reassure you that the referral was processed through the same essential assurance and due diligence processes as other offers, including price and quality checks and credibility."*
75. I took this to mean that, as I had assumed at the point of making the introductions described above, the Government did indeed have in place necessary checks and balances and appropriate processes and procedures to assess prospective PPE suppliers.

Departure from SGHL

76. Within a few months of being appointed Chairman and of Sir Michael joining the SGHL Board, the non-executive directors became increasingly concerned about the way the business was being run. We were concerned about unpaid wages and fees, contracts falling through, and increasingly vague and confusing responses from Mr Sumner and the management team to questions from the SGHL Board, as well as Mr Sumner's apparent over-optimism about the state of the business.

77. The SGHL Board was not provided with information regarding the contracts awarded by DHSC to SGRL or the profits from these contracts. As set out at paragraph 59 above, the SGHL Board was only made aware that one contract was ever awarded.
78. The members of the SGHL Board were not members of the board of directors of SGRL, and had no involvement in its operation. We understood at the time that SGRL was one of the subsidiaries of SGHL and a part of the SGHL group. We therefore understood that the shareholders of SGHL, of which I was one, stood to indirectly be affected by profits and losses incurred by SGHL's subsidiaries, including SGRL. I also received some payment of directors' fees in respect of my role as non-executive Chairman of SGHL, and the Chadlington Consultancy received some payment in respect of its consultancy services provided to SGHL. These fees were payable in any event under the relevant contracts, and the payments were not contingent on the award and/or performance of the contracts awarded by DHSC to SGRL. I did not – and did not intend to – receive any payment or remuneration directly in respect of the awarding of contracts to SGRL.
79. As I had no involvement in the operation of SGRL, I do not know who was remunerated, and to what value, in respect of the contracts awarded by DHSC. I also do not know what percentage of SGRL's profits were attributed to the contracts awarded by DHSC.
80. In spring 2021, Sir Michael, Mr Zeitlin, and I informed Mr Sumner that we wished to resign from the SGHL Board. We also instructed an independent law firm to review our conduct as non-executive directors of SGHL and the steps we were proposing to take to ensure that we had complied with our obligations.
81. Mr Sumner told us that he was confident that some new significant contracts (unrelated to the UK Government) were due to be awarded to the business, and asked if we could remain in our roles for a short period while this was completed. We then officially resigned in summer 2021. By this point, I had been Chairman for a little over a year.
82. All of the non-executive directors were owed directors' fees and two of the directors were owed sums which they had lent in order to keep the business viable and to help it fulfil its obligations. There were also fees payable to the Chadlington Consultancy under its contract. We therefore resolved to force SGHL into liquidation. I do not have a copy of the liquidator's report.

83. I later learned, after leaving SGHL, that SGRL had apparently failed to deliver on at least one of the contracts it was awarded by DHSC.

Investigations by House of Lords Commissioner for Standards

84. In May 2022, the House of Lords Commissioner for Standards, opened an investigation into my involvement in the awarding of PPE contracts to SGRL. Following an investigation which involved me providing detailed responses to his questions, and the Cabinet Office providing evidence to the Commissioner, the Commissioner for Standards cleared me of any wrongdoing. For the avoidance of doubt, I do not rely either on this finding, or the fact that I provided detailed evidence to the Commissioner, in support of my evidence before this Inquiry, but entirely as relevant background information.
85. In July 2023, the Commissioner for Standards opened a further investigation into my involvement in the awarding of PPE contracts to SGRL on the basis of reporting in *The Guardian* that a phone call had taken place between me and Lord Feldman before I had provided his e-mail address to Mr Sumner. I provided evidence to the Commissioner for Standards. I was again cleared of any wrongdoing.
86. On checking my files at the time I realised that I had had a short text message exchange with Lord Feldman, as referred to at paragraph 39.a above. I had had a phone call with Lord Feldman but this concerned unrelated matters.
87. I have provided in this witness statement and in the accompanying disclosure information and copies of communications beyond what I had provided to the Commissioner for Standards, because the Commissioner's investigations focused solely on the referral of SGRL to Lord Feldman, and not on any other matters.

Conclusion

88. As I have explained above, I did not exert any inappropriate influence on Government decision makers over whether contracts should be entered into with either company. I simply used my network of contacts to ensure that two companies were speaking to the right people in Government to be able to respond to a national call to arms.
89. Once I had put these two companies in touch with the right people, I stood back from the subsequent discussions as I did not wish to be involved in them.
90. I hope that the above is of assistance to the Inquiry. I would be happy to clarify any matters or provide any further assistance if required.

Statement of Truth

I believe the contents of this statement to be true.

Signed:

Personal Data

Dated: 13 December 2024