

UKACC Witness Statement Clarifications:

25th February 2025

Additional evidence and clarifications at the request of Counsel to the Inquiry

UKACC's original rule 9 response as of January 2025 can be found at the end of this document

Request from the Inquiry team is: "whether you would be able to set out or summarise in clearer terms the data used for the graphs called "Category 6", "Category 7", "Category 8" and "Category 9" on pp.135-147, and for your observations at paras. 340, 342 and 343. Please could you consider whether this is something that you would be able to add to your witness statement?"

The following is UKACC's updated response, as of February 2025, in response to CTI.

We are delighted to be able to help and clarify the sources of the data and explain the charts in more detail. Your Rule 9 request of the UKACC wanted comparative data on the UK pandemic PPE procurement relative to its peers.

1. Comparative data sources (and their important caveats)

The best way to look at this is by comparing information on major contracts awards published on Europe's [Tenders Electronic Daily](https://ted.europa.eu/en/) portal (<https://ted.europa.eu/en/>) where all tenders and awards across the EU above E143K are meant to be published as part of the EU's single common market for procurement. The UK was still sharing its notices and contract opportunities on TED as part of the Brexit Agreement.

We downloaded and analysed the full dataset of Europe's contract awards for 2020 and 2021 to inform our analysis.

A full data notebook and analysis of the dataset and how we analysed is available [here](#). Note: the file is an html, to view it correctly you can download it [from this link](#) and open it in a web browser.

We searched the TED data to look for Covid 19 PPE contract awards using both keyword searches for common terms such as "C19, Covid 19, Covid-19, Covid 2019, Coronavirus, 2019- ncov, Sars-cov-2" etc. A full list of these are available in the data notebook.

All notices are assigned to a particular Common Procurement Vocabulary (CPV) codes so we searched for and analysed these related to common PPE and other COVID related goods. Again a full list of these are available in the databook above.

TED data also includes information on how the contract was awarded to whom and its total value so from these we were able to compare approximately similar European peers to look at their comparative behaviour. In our Rule 9 response, we compared the UK to Germany, France and Poland as they have a similar population size and they all have similar levels of publication of notices in TED generally which means the comparative analysis of PPE notices also seems relatively fair).

We clearly caveated our analysis by making it clear that both the UK and other country's procurement data in TED procurement are messy and prone to errors and gaps. Many countries including the UK do most of their procurement using manual, paper based processes and the notices and the data are keyed in manually and may be missed, mistyped or completely skipped. Where possible, we have tried to correct for this avoiding null values or impossibly large numbers.¹ Again, we explain more about this in the databook.

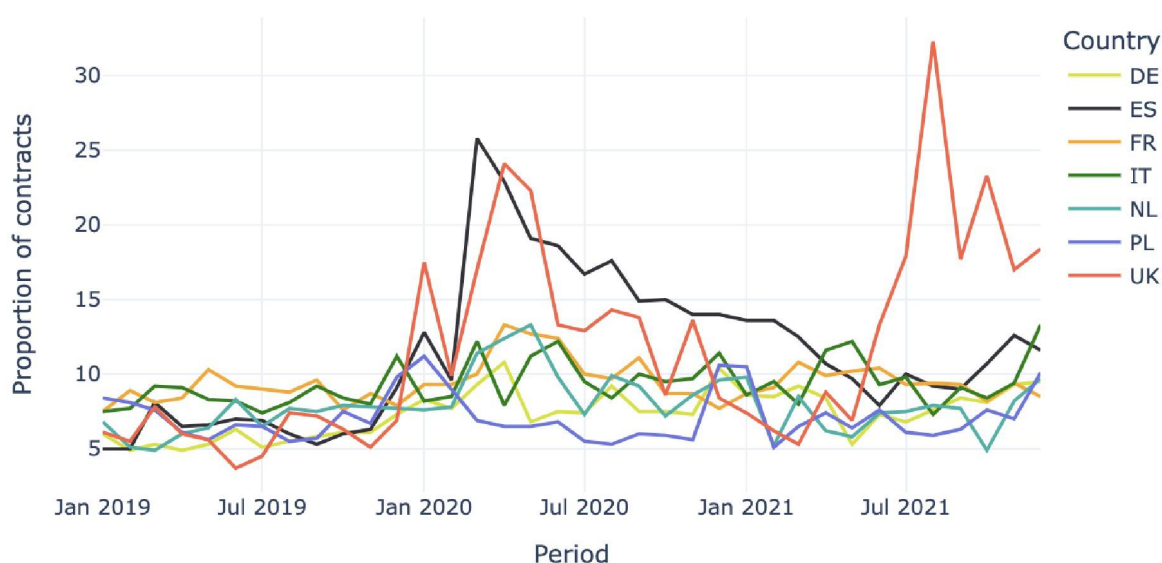
The analysis in our Rule 9 submission and in this clarification therefore represents our best efforts to analyse available public data from the EU and the UK's own official data source on procurement as mandated under EU Law and the Brexit agreement. We can evidence what the UK and Europe's own data shows, we cannot vouch for what is missing or for its full accuracy.

In our original rule 9 response, the chart shown in "category 6" was drawn from the first comparative analysis of this kind by the European procurement data experts the Spend Network drawing from the TED data as above up until mid 2020, so looking at PPE procurement patterns during the first few months of the pandemic. The Open Contracting Partnership then updated and extended this analysis looking at comparative patterns across the UK and its European peers from TED data.

¹ Values that seemed inconsistent (e.g. 9999999999999999) were removed. Some notices had replicated lot values across multiple awards, and when the information could be verified in TED the values were replaced. For some framework agreements, total award notice value was duplicated across individual award values. While in some cases this could be true, it could relate to an error in the data which causes the estimated total value to be inflated. To avoid this, and calculate a more conservative estimate, when the sum of the individual awards was higher than the total value of the contract award notice, the contract award notice value was used. In other cases, the sum of the individual award values was calculated. This gives us a **more conservative estimate of total Covid spending**. Joint procurements involving multiple countries were also excluded, since values could not be disaggregated by country for comparative analysis.

The chart in category 7 of our Rule 9 request illustrated the proportion of direct contract awards (ie. either direct awards or so-called “negotiated procedures without prior publication” under EU jargon) as a proportion of the total number of awards using all procedures. We note that direct awards spiked for all four countries from Jan 2020, we also noted that the UK’s spike by proportion of all contract awards was larger and appears to last for longer. We have since extended this analysis to look at a larger sample of European countries, which we have attached below. We note that Spain had a high spike of awards in 2020 too.

Proportion of direct awards and negotiated procedures without publication (all notices)

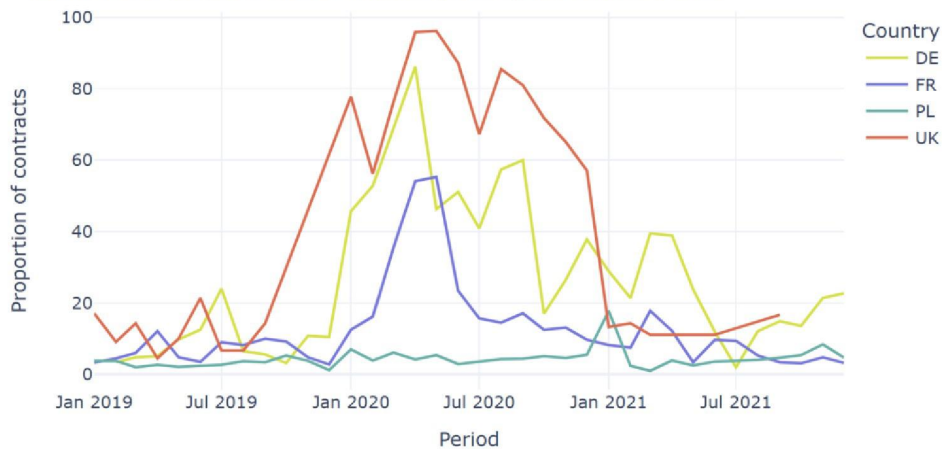


We can label this chart as Category 7a.

We saw the same pattern when we look at the **proportion** of direct awards specifically for Covid-related contracts and PPE (as mentioned, this information was found using both equipment covered by so-called Combined Procurement Vocabulary (CPV) codes relevant to Covid PPE and a keyword search to check for relevant words in contract notices). Again, the UK spike in direct awards is higher and lasts longer than its peers. This was shown in the Chart labelled as Category 8. We reproduce this below and we have moved the timeline earlier to show the patterns in 2019. As you can see the proportion of the UK notices connected to Covid procurement (by CPV or keyword) is higher in the UK and remains higher for longer than its European peers.

Proportion of direct awards and negotiated procedures without publication in Covid notices 2019-2021

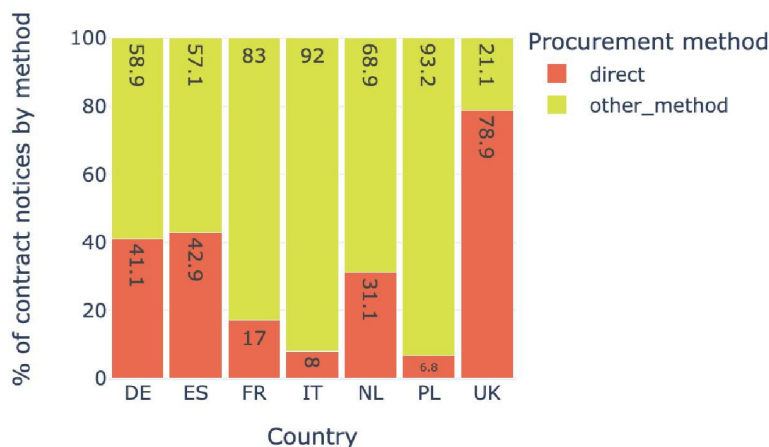
Data from 2019 includes contract award notices procuring the relevant CPV codes



We can label this chart as Category 8a. It is the same as in Category 8 in our original Rule 9 response but the chart also covers 2019 for comparison so you can see the spike in direct awards related to Covid contracting categories more clearly.

We can also illustrate the UK's relatively heavy reliance on direct awards in another chart showing the proportion of direct awards in Covid-related contracts across European peers in total across 2020 and 2021. We can label this chart as Category 8b.

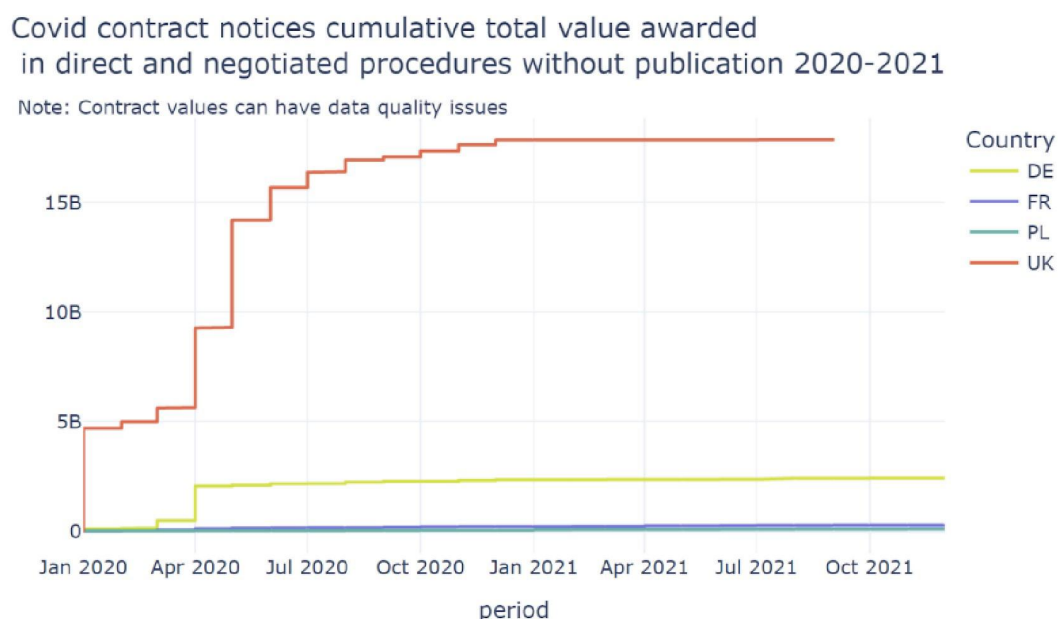
Proportion of direct Covid contract award notices by country 2020-2021



The UK's proportional use of direct awards is much higher than its peers, mounting to c.78.9% of the total, vs 41% for Germany, c. 17% for France and c. 7% for Poland. So, looking at the best available comparative dataset, it seems that the UK is an outlier in the scale and duration of the use of direct awards for Covid-related contracts, although the data is noisy and incomplete.

Next we looked at the value of the contract awarded in Euros as opposed to just the number of award notices. Data entry errors here can have a big impact on the analysis so caution is warranted and, again, we can only show you what the public data demonstrate, not vouch for their accuracy.

The best way to illustrate this is to show the cumulative value of all the Covid contract award notices over time across European peers. We illustrated this in the graphic that was labelled Category 9 in our Rule 9 submission and it shows the extraordinary amount of material bought by the UK in comparison to its European peers using direct procedures, spiking rapidly to cover over EUR18bn by the end of 2020. To our mind, it's as if the UK stocked up for the next five years on of COVID PPE and related items rather than for next six months!

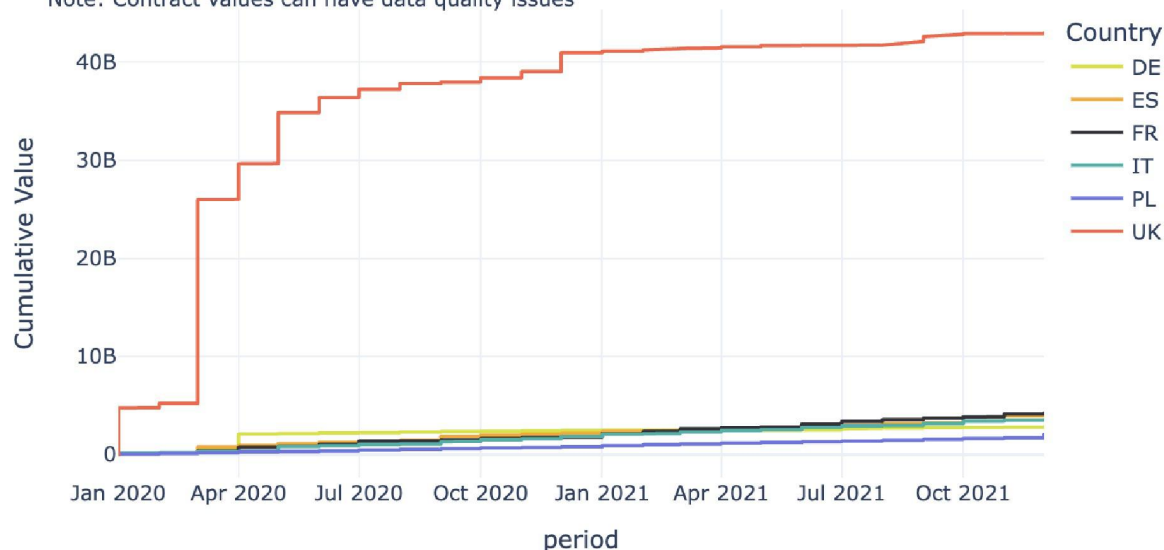


(category 9)

Again, OCP has been able to extend this analysis to cover all award notices (ie not just direct awards but using competitive processes too). The pattern is shown in the chart below that we can label as Category 9a. Again, the extraordinary volume of materiel brought by the UK in total (in EUR) is evident as compared to its European peers.

Covid contract notices cumulative total value awarded in all procedures 2020-2021

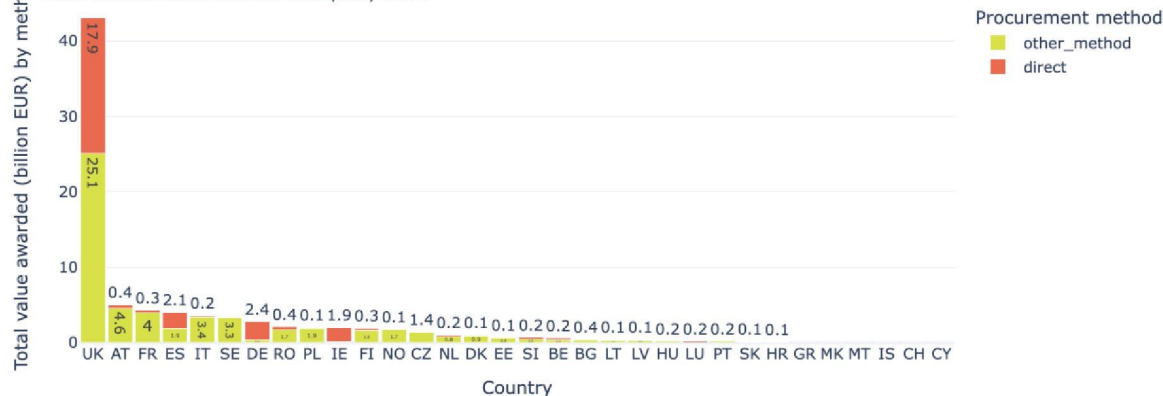
Note: Contract values can have data quality issues



The sheer scale of the UK's spending on Covid-related contracts also stands if we illustrate the total value of Covid-related contracts in total across both 2020 and 2021 for the UK and its European peers. This is shown in the chart below (and can be labelled Category 9c). Again, the UK stands out in terms of the huge total value of all its Covid contracting. Even the UK's direct awards are higher than the combined total awards (competitive and non-competitive) of almost any other European country.

Total value awarded in Covid contract award notices by country 2020-2021

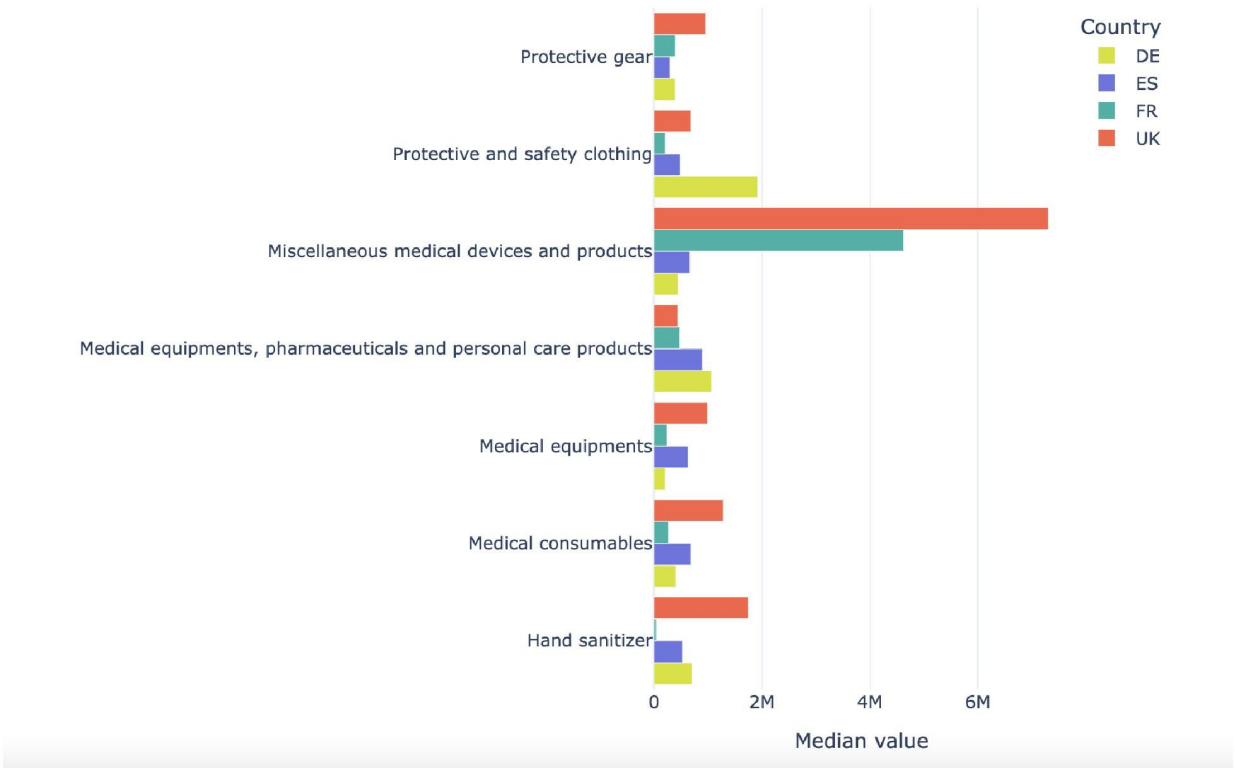
Note: Contract values can have data quality issues



This pattern also repeats if we look at contracts within specific CPV codes. We have illustrated that below in a new chart (which can be labelled Category 9D). We note that the UK had a higher median award for contracts value in 5 out of 7 of the analyzed categories where good

comparative data was available. For instance, the median notice value using a direct procedure to buy hand sanitizer in the UK was EUR 1.7 million, 5 and 41 times more than in Germany and France, respectively, however these countries have fewer notices reported. In Germany it was EUR 708,600 and in France EUR41,850. In categories with a similar number of notices, like protective gear, the UK spent between 2 and 3 times more than the analysed countries.

Median Covid notice value using direct procedures in 2020 selected CPV codes



We hope that this set of explanations, clarifications and illustrations is helpful to the Inquiry. To summarise, although almost every other country used direct emergency awards, the data suggest that the UK relied on direct awards more and for longer than its European peers (as per the charts in category 7a, 8a and 8b) and generally bought vastly more and for longer too (category 9, 9b and 9c) and in larger Covid contracts than its peers (the chart in category 9d).

Annex:

Relevant parts of UKACC RULE 9 RESPONSE IN 2024

“340. That the UK relied on more direct procedures for longer than its European peers is a very important finding for the Inquiry to investigate. We double-checked this finding with our analysis comparing the UK and European peers' use of direct procurement procedures from EU's Tenders Electronic Daily (TED) data from 2019 through 2021. TED data can be messy, so we compared the UK to its three EU peers, which have a large number of TED notices filed (Germany, France and Poland).”

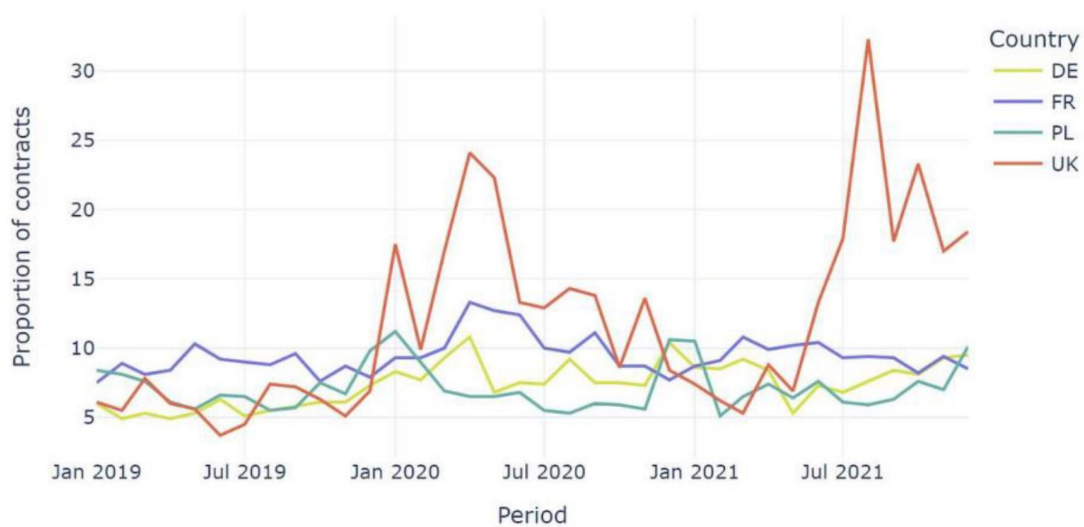
“342. If we look at the proportion of all the Covid PPE and associated direct awards over time (category 8), it is notable that the UK's proportional use of direct awards is much higher than its peers, mounting to c.78% of the total, vs 41% for Germany, c. 18% for France and c. 7% for Poland. Looking at the best available comparative datasets, it seems that the UK is an outlier in the scale and duration of the use of direct awards for Covid PPE. However, we accept the data is noisy and incomplete.

343. Our main observation is that Germany and the UK seem to have relied on direct awards for a very large proportion of their overall PPE value. When we compare actual amounts spent cumulatively on PPE over time, the UK appears to far exceed its European peers by the cumulative value of PPE contract awards, giving credence to the overbuying point raised by Professor Sanchez Graells and others (category 9).”

Country	2020 Direct	2020 Non Direct	Direct award proportion
UK	67	43	60.91%
All Europe	109	235	31.69%
Europe Minus UK	42	192	17.95%

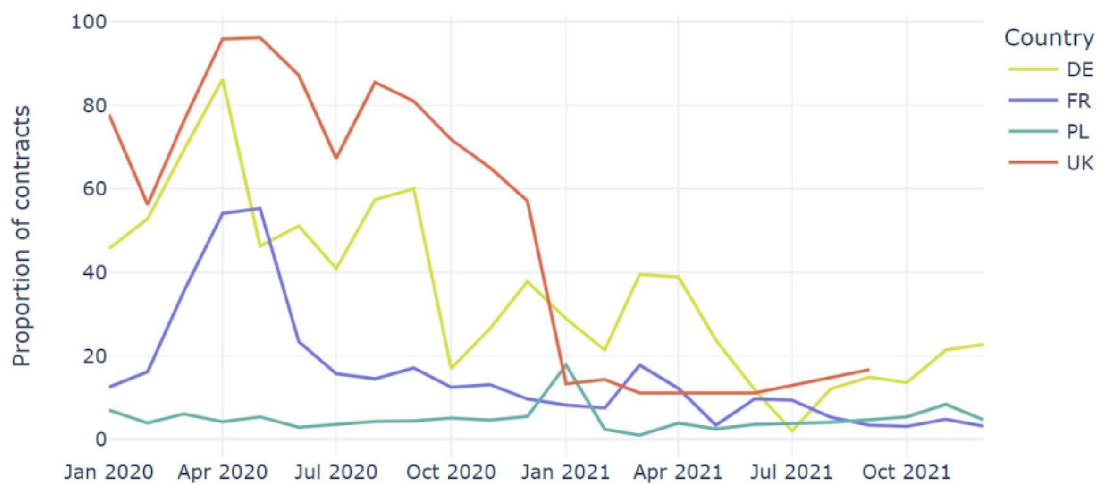
(category 6)

Proportion of direct awards and negotiated procedures without publication (all notices)



(category 7)

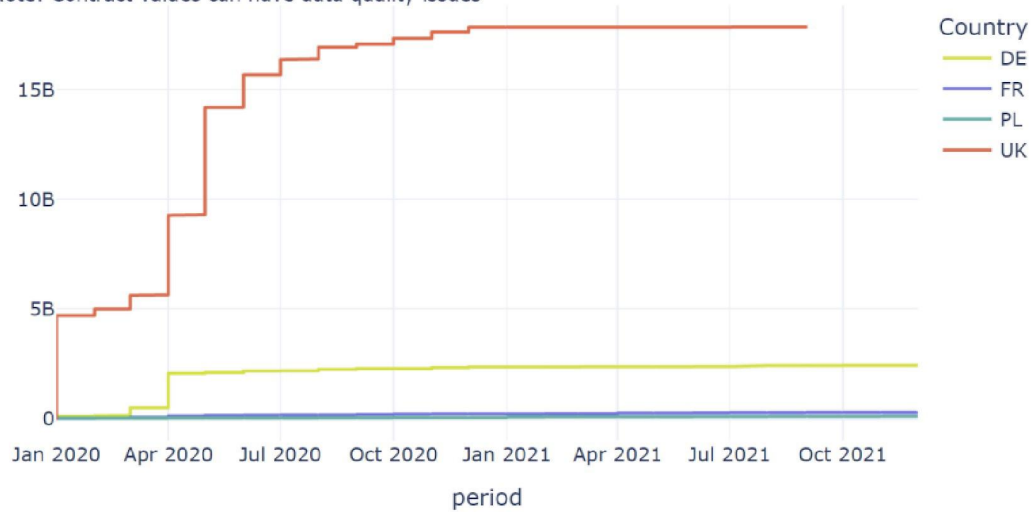
Proportion of direct awards and negotiated procedures without publication in Covid notices



(category 8)

Covid contract notices cumulative total value awarded
in direct and negotiated procedures without publication 2020-2021

Note: Contract values can have data quality issues



(category 9)