

## **CLOSED STATEMENT**

Witness Name: **David Williams**

Statement No.: **3**

Exhibits: **DW/44 – DW/58**

Dated: **5 March 2025**

### **UK COVID-19 INQUIRY**

---

#### **WITNESS STATEMENT OF DAVID WILLIAMS**

---

I, **David Williams**, Permanent Secretary of the Ministry of Defence, Whitehall, London SW1A 2HB, will say as follows:

##### **Introduction**

1. I make this statement in response to a request from the UK COVID-19 Inquiry (the Inquiry) dated 17 January 2025 made under Rule 9 of The Inquiry Rules 2006 (the Request) asking for a witness statement for Module 5 of the Inquiry.
2. This statement is to the best of my knowledge and belief accurate and complete at the time of signing.
3. I understand that the Inquiry's Request identifies the period 1 January 2020 to 28 June 2022 as the timeframe for Module 5. During this period I was Director General and Second Permanent Secretary at the Department of Health and Social Care ('the Department'). I have therefore focused on my time in those two posts, within the period identified by the Inquiry as relevant to Module 5.
4. I was an Accounting Officer (AO) for the Department. Accounting Officers are personally responsible and accountable to Parliament for the use of public money and stewardship of public assets. The Permanent Secretary remained the principal Accounting Officer for the Department. I was the Accounting Officer for COVID-19 specific procurement activity, including ventilators, testing and tracing. On procurement issues, particularly for PPE (Personal Protective Equipment), I

## CLOSED STATEMENT

personally approved the Department's entry into contracts with a value of over £100 million. Authority for all contracts of a value of £100 million or less was delegated to Chris Young and Jon Fundrey. Chris Young was the Department's sole Director of Finance prior to the pandemic. Jon Fundrey, Chief Operating Officer at the Medicines and Healthcare products Regulatory Agency (MHRA) was brought in as a co-Director of Finance to assist during the pandemic. As Chief Executive of NHS England, Simon Stevens was formally the AO for NHSE spending, including to the best of my recollection, vaccine roll out, but I led engagement with His Majesty's Treasury (HMT) to secure spending approval.

5. My role as Second Permanent Secretary was *not* limited to the approval of contracts exceeding £100 million in value; it had the following major elements:
  - a. Firstly, I provided support to the Permanent Secretary, Sir Chris Wormald. Initially he would attend meetings related to COVID-19 and I led on the Department's 'business as usual' work, but the rapid escalation in the volume of COVID-19 related work meant that I took on responsibility for and oversight of a range of COVID-19 related activity. This was inevitable to a degree because the COVID-19 response became the main activity of the Department. The Permanent Secretary worked closely with the Chief Medical Officer and Clara Swinson, the Department's Director General for Global Health, as the core official-level leadership for the clinical, legislative and policy response to COVID-19. The Permanent Secretary also led, from an official level, the Department's coordination across the whole of Government, international work, and work across the four nations. I continued to lead on the Department's operations, finance and approvals and the early stages of what became NHS Test & Trace ("NHSTT").
  - b. Secondly, I had a corporate collegiate leadership role. I was a member of the Department's Executive Committee (ExCo), which among other responsibilities reviewed iterations of the Department's Battle Plan. I was also a member of the Departmental Board and Audit and Risk Committee. I chaired the Remuneration Committee, People Board and Performance and Risk Committee. I would attend daily meetings of the Department's Director Generals.

## **CLOSED STATEMENT**

- c. Thirdly, I was an Accounting Officer (AO) for the Department. Accounting Officers are personally responsible and accountable to Parliament for the use of public money and stewardship of public assets. The Permanent Secretary remained the principal Accounting Officer for the Department. I was the Accounting Officer for COVID-19 specific procurement activity, including ventilators, testing and tracing. On procurement issues, particularly for PPE (Personal Protective Equipment), as the volume of PPE purchases rapidly accelerated, authority for all contracts of a value of £100 million or less was delegated to Chris Young and Jon Fundrey. I personally approved the Department's entry into contracts with a value of over £100 million. Chris Young was the Department's sole Director of Finance prior to the pandemic. Jon Fundrey, Chief Operating Officer at the Medicines and Healthcare products Regulatory Agency (MHRA) was brought in as a co-Director of Finance to assist during the pandemic. As Chief Executive of NHS England, Simon Stevens was formally the AO for NHSE spending, including to the best of my recollection, vaccine roll out, but I led engagement with His Majesty's Treasury (HMT) to secure spending approval.
  - d. Fourthly, before the appointment of Baroness Dido Harding, I was responsible for preparatory work for what became NHSTT. I remained the Accounting Officer for NHSTT following Baroness Harding's appointment.
  - e. Finally, I remained responsible for the elements of my previous Director General role. This included the Department's finance function, as well as the operational requirements of the organisation, for example IT, operations, building services and human resources, all of which had adapt to the pandemic. This involved supporting staff to work remotely during lockdown, ensuring that our office space was compliant with covid regulations, recruitment and onboarding at pace of substantial additional staff resources.
6. The COVID-19 pandemic was a 'circumstance with no precedent', to use the language of MPM. The situation the country faced was severe, as the pandemic affected every citizen with severe health, social and economic consequences. The peak of the pandemic had a devastating impact in terms of loss of life, along with an impact on the wider ability of the NHS to offer care, on social care and economically in terms of lockdown, as well as wider issues such as the impact on schooling. This meant that spending large sums of money which would have been unthinkable in normal circumstances to explore options for shortening lockdown or duration of the disease,



## **CLOSED STATEMENT**

even if risky and not certain of success, was fundamentally a sound choice to save lives and reduce overall economic cost and therefore represented value for money.

7. The scale and intense focus required for the Department's response to the pandemic, lasting well over a year, was unlike any response I have experienced within my career up until then. In a typical model for emergency response, a specific team handles an incident for a number of weeks, the incident response is then normalised as part of departmental activity, and then the incident ends. A multi-year pandemic as the primary focus of Departmental and indeed Government business was without precedent. As discussed at paragraph 10.5 above, the entire DHSC had to adapt, as with the rest of the country, to entirely new ways of working. Many civil servants were working remotely for the first time, often managing illness, home-schooling, and care for neighbours and family members. Civil servants were working extended and often unsocial hours, with limited opportunities for respite, under intense pressure, for months. During my time as Second Permanent Secretary I engaged with Departmental business for at least a portion of the day, every day, and I suspect the same is true for very many civil servants in the Department during the pandemic.
8. The pandemic developed very quickly and by the time my formal appointment as Second Permanent Secretary was made, COVID-19 related work dominated my time. Aside from the 2020 Spending Review and work on the 40 hospitals programme and other core manifesto commitments, there was relatively little 'business as usual' work during my tenure as Second Permanent Secretary because the majority of the Department rapidly pivoted to responding to COVID-19. The number of personnel in the Department grew rapidly during my term as Second Permanent Secretary in order to respond to COVID-19.
9. The beginning of the pandemic posed a set of highly challenging circumstances for the Department's finance and commercial teams and for HMT. There was a need to procure at volume and pace; rely on new suppliers, many of whom were foreign; and compete in what was essentially an international 'seller's market'. Decisions were made in the context of a predicted Reasonable Worst Case Scenario, but there was no real confidence in the anticipated duration of the first wave, nor any certainty about what would happen next, which meant that Government's appetite for risk was much higher than it would be in normal circumstances and Government was willing to spend money to plan against a Reasonable Worst Case Scenario, which by definition will include spending which ultimately proves to be surplus or excess capacity.

**CLOSED STATEMENT**

**PPE MEDPRO**

10. PPE MEDPRO were one of the companies awarded a PPE contract by the DHSC **NCA RO**

11

**NCA RO**

**NCA RO**

***CLOSED STATEMENT***

**NCA RO**

**CLOSED STATEMENT**

21. At 1.41pm on 24 June 2020, Edward James sent an email to Paul Golightly (Fraud Unit, DHSC) and Donna White (Senior Commercial Lawyer, GLD). I&S

I&S

NCA RO

24. At 1.05pm on 25 June 2020, my private secretary, Karen Perry, sought an update from Paul Golightly, by email. At 3.56pm on 25 June 2020, Paul Golightly responded to my private secretary's email [Exhibit DW/53 - INQ000582542]. He concluded that, on the basis of information available at the time, the allegations made by I&S could not be substantiated, however, he had requested further checks from the I&S a response was expected by the following day. He raised no additional concerns.

NCA RO

**NCA RO**

27. My understanding is that as AO I approved approximately ten PPE contracts entered into by the Department between March and July 2020. This does not include contracts entered into by SCCL which I approved I do not recall any specific proposed PPE deals that I did not in the end agree, albeit after further clarification or explanation of the requirement and commercial terms. The majority of proposed deals will have been reviewed and approved/rejected by Chis Young or Jon Fundrey.
28. Because my approval as AO was the final step for any contracts over £100 million, by the time I received the pack I was conscious that officials would have done as much work as was possible and proportionate given the circumstances to advise on the nature of the deal. The pack will have also been the subject of checking by the Department's finance team before it was passed to me.
29. My decision-making framework centred around the principles of regularity, value for money, and feasibility, as set against the background of the unprecedented challenges of responding to COVID-19 and an extraordinary global scramble for the supply of PPE. My role was to satisfy myself that the relevant checks and balances had been completed in relation to each potential deal, rather than to dig into the details of what was said by company representatives during the process.
30. The following factors were important, and considered in the round: existing stock levels and anticipated demand; quantity; quality (e.g. based on photographs and certificates); price; delivery time; the supplier either being a manufacturer or an intermediary; bespoke terms and conditions, e.g. for prepayment; and risk.
31. Due to the volume and pace of PPE purchases required to meet the unprecedented demand for PPE during the COVID-19 pandemic, I adopted a routine for assessing potential PPE suppliers; I followed my routine in this case. I relied on the work completed by teams who processed the details of the deals, rather than conducting a detailed review of the full pack of papers and evidence provided as the business case for the contract, ensuring that I was satisfied in relation to the following:



## CLOSED STATEMENT

a. The ongoing validity of the PPE requirement that this deal was designed to meet. The requirements that new contracts were intended to meet were assessed through modelling demand against reasonable worst-case assumptions, set against stockholdings and delivery schedules.

b. A reasonable price per unit (within tolerances) and acceptable payment terms.  
When compared against the other deal recommended for approval at the same time, the final **NCA RO**

**NCA RO** Prices had recently risen to as high as £6 per unit, and owing to the volumes and prices offered by **NCA RO**

**NCA RO** and the other supplier, an alternative contract with another supplier offering a unit price of £5.50 was stopped.

c. The deal's feasibility and the team's assessment of the confidence we could have in delivery to the required timescales. **NCA RO**

**NCA RO**

d. There being no outstanding or material due diligence concerns, outside of the greater risk appetite we were working with: **NCA RO**

**NCA RO**

32. I was a recipient and user of the data in the Coronavirus Daily Dashboard, and this will have assisted me in the weighing of information about the proposed contract, but I was primarily informed by Emily Lawson and Jonathan Marron in terms of their assessment of the urgency of need for various pieces of PPE, including sterile surgical gowns.

33. Emily Lawson made it clear that there was "an ongoing need for sterile gowns and the

**CLOSED STATEMENT**

price available was now excellent"

**NCA RO**

**NCA RO**

34. The anticipated demand versus risk for sterile surgical gowns was modelled and set out in a 12-weeks requirement and supply chart (and in an 18-month requirement and supply chart) [Exhibit DW/55 - INQ000582536] as demonstrated in the email sent at 9.36am on 19 June 2020, from Christopher Young to Jon Fundrey and the COVID-19 Finance Operations Team mailbox. Nicholas Townsend indicated that the deal was necessary to ensure we had sufficient stock available centrally to meet the modelled demand requirement; 8-10 million per month until mid-2021 [Exhibit DW/48 - INQ000582537]

35

36

**NCA RO**

37

## ***CLOSED STATEMENT***

38. As explained at §493 of the Department's Module 5 Corporate Statement, the pack would typically include:

- a. Terms and conditions including evidence of acceptance or a summary of terms that were not, highlighting the risks/reasons and subsequent external law firm legal advice (if sought);
- b. The Department's 'Order Form';
- c. Notification of an advance payment;
- d. The Department's 'New Supplier Form' including bank details;
- e. A PDF supplier letter containing bank details (some suppliers failed at this stage as their details failed to be validated either by the Department or their bank);
- f. CaPA approval (or MoD quality assurance);
- g. Technical documentation including photo(s) and certificates for items;
- h. The Department's 'Requisition Form';
- i. Foreign currency payments form;
- 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;
- k. FCO approval for the company concerned; and
- l. The 'Submission to DHSC Checklist'.

39. Because my approval as AO was the final step for any PPE contracts over £100 million, by the time I received the pack I was conscious that officials would have done as much work as was possible and proportionate given the circumstances to advise on the nature of the deal. I have reviewed the Department's Module 5 corporate statement, which explains at §446-495 the seven-step process deals would go through before being sent to DHSC for approval. In short, this involved:

- a. An initial data triage;
- b. Prioritisation and a first round of due diligence;

## ***CLOSED STATEMENT***

- c. Validation of the opportunity, including contact with the potential supplier and validation of specifications;
- d. Commercial due diligence
- e. A technical review and technical assurance, followed by a review by the decision-making committee if it was unclear whether a product did or did not meet technical specifications;
- f. Agreement of terms involving a legal team and agreement on pricing;
- g. Completion of relevant documentation,
- h. There was a further check once the deal arrived at DHSC; the pack was checked by the Department's operational finance team before it was passed to me.

40

41

**NCA RO**

42



**CLOSED STATEMENT**

43.

NCA RO

44.

**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.

**Signature:**

**Personal Data**

**Date:** 5 March 2025

