Witness Name: Rishi Sunak
Statement No.: 1
Exhibits: RS/7/001 - 096
Dated: 15 April 2025

UK COVID-19 INQUIRY

WITNESS STATEMENT OF Rt Hon Mr Rishi Sunak

I, Rishi Sunak, will say as follows: -

1. I make this statement pursuant to a Rule 9 request from the UK Covid-19 Inquiry in relation to Module 7 dated 18 December 2024.

2. Whilst I have developed the below statement based on my personal recollection of events and the decisions that I took, in order to assist my recollection and the preparation of this statement I have reviewed documents that were created at the time of the events under scrutiny, and key documents are exhibited to this statement. I have also taken account of information supplied by His Majesty's Treasury ("**HMT**").

A. ROLE, FUNCTION AND RESPONSIBILITIES

3. I was elected Conservative MP for Richmond (Yorks) in May 2015 and was appointed Parliamentary Under Secretary of State at the Ministry of Housing, Communities and Local Government ("**MHCLG**") from 9 January 2018 to 24 July 2019. Following this I undertook the role of Chief Secretary to the Treasury ("**CST**") from 24 July 2019 to 13 February 2020, before being appointed Chancellor of the Exchequer ("**Chancellor**") on 13 February 2020. I remained in this role until 5 July 2022.

4. The Chancellor is the Government's chief financial Minister and has overall responsibility for HMT and for economic and fiscal policy, and the financial services sector. The Chancellor is involved in Cabinet-level decision-making, with a focus on providing economic and fiscal considerations in the decision-making process.

5. At the time of my appointment, the pandemic was an emerging situation and the Government was already responding to it. Alongside the typical duties of the Chancellor of managing fiscal and economic policy, I had a specific responsibility of tailoring economic advice, policy and decision-making to fit with the context of an international pandemic.

6. HMT's main role during the relevant period in relation to this module's subject of Test, Trace and Isolate ("**TTI**") focused primarily on public spending – the department's role was to enable the funding of the development and running of a testing system, whilst ensuring accountability to the taxpayer. HMT's role in the development of TTI was limited to approving spending for major projects; novel, contentious or repercussive spending; and any expenditure that fell outside a department's delegated authority limit. As Chancellor, I had overall responsibility for the work of HMT, and details of key decisions made by me are expanded upon in the below timelines.

ROLE OF CST

7. The CST is a ministerial office within HM Government and the second senior ministerial office in HMT, who attends Cabinet. The CST is responsible for public expenditure which includes the following areas of most relevance to this module:

    a. Spending reviews and strategic planning;
    b. In-year spending control;
    c. Public sector pay and pensions;
    d. Efficiency and value for money in public service; and
    e. Procurement.

8. The CST has decision-making authority, including approving budgets, approving funding requests from government departments, and influencing economic and fiscal policies. The CST led on all areas of work and decision making in relation to day-to-day spending decisions and overall scrutiny of public spending in relation to TTI policies. CST reported to me in my capacity as Chancellor, but I was not involved in day-to-day decisions on approvals for spending.

B. CO-WORKING

DECISION-MAKING STRUCTURES

9. The Prime Minister ("**PM**") was the primary decision maker in relation to the major decisions on the Government's response to Covid-19 and the decision-making structures used.

10. My ministerial responsibility was providing economic and fiscal evidence, analysis and advice in relation to decisions and interventions that would impact the economy and public finances and the financial services sector.

11. As far as I can recall, through the structures described below, I had the opportunity to input into the PM's decision-making in a meaningful way.

12. In early 2020, the Government was responding to an emerging crisis. Decision-making took place in the established channels, with additional new groups and committees being set up by Cabinet Office ("**CO**") and Number 10 ("**No. 10**"), as is common practice, in reaction to an evolving situation that is occupying a great deal of the Government's time. This is a typical response taken which follows previous practice, such as after the UK's decision to leave the EU, where various groups and committees were set up to deal with the then new workstreams that came about as a result of Brexit.

13. Policy and intervention development during the Pandemic took place in a number of structures and the ones in which I was involved I have listed below. As Chancellor, I had the responsibility of ensuring that the economic and fiscal impacts of the policies under consideration were explained and to create and execute policy within HMT's remit. I was able, through the structures described below, to fulfil these responsibilities. Likewise, I was able to fulfil my 'broader' role as a senior cabinet Minister of contributing to the collective cabinet debate of the issues.

14. The following structures provided fora for Covid-19 decision-making and strategy discussion to take place. Details of relevant decisions and key meetings are discussed later in this statement:

15. Cabinet Office Briefing Room ("**COBR**") and Scientific Advisory Group for Emergencies ("**SAGE**")

a. Initially, decisions in response to Covid-19 were made at COBR meetings. COBR meetings (which, in effect, are Cabinet Committee meetings), are convened to deal with matters of national emergency. Their role is to coordinate different Government departments and agencies and undertake a decision-making function in response to an emergency. COBR provided Ministers with updates as the pandemic unfolded, supported by their SAGE sub-committee which was chaired by the Chief Scientific Advisor ("**CSA**"). I attended COBR meetings, initially when I was CST (i.e. until 13 February 2020) and thereafter as Chancellor.
b. SAGE provided scientific guidance to support COBR's decision-making process relating to Covid-19. Whilst I did not attend SAGE meetings, from 30 March 2020 HMT would send an official (initially Vanessa MacDougall, who was then replaced by James Benford) to attend in an observer capacity. Vanessa and James would normally feedback a summary of the meeting to colleagues, but I would not normally be given a copy of these summaries.
c. The role of COBR was largely overtaken by Covid-19 Strategy Committee ("**Covid(S)**") and the Covid-19 Operations Committee ("**Covid(O)**") in May 2020.

16. Cabinet meetings

a. I attended Cabinet meetings which were held regularly to discuss high level strategy and to make decisions. Typically, these were attended by Cabinet Ministers and, on some occasions, the Chief Medical Officer ("**CMO**"), the CSA and UK Health Security Agency ("**UKHSA**") Chief Executive, to give an update on pandemic related matters. Whilst Cabinet Ministers would feed in and advise on key points that were relevant to their departments, it was (and remains until this day) ultimately the role of the PM to balance the range of objectives across the Government.

17. Ministerial Implementation Groups ("**MIGs**") and Small Ministerial Groups ("**SMGs**")

a. Four MIGs were established by the PM in March 2020. The Covid-19 – Economic and Business Response Implementation Group ("**E-MIG**") was one of these four groups, and I was asked by the PM to chair it.
b. E-MIG meetings, which were held weekly and which concluded on 14 May 2020, were attended by the Chancellor of the Duchy of Lancaster ("**CDL**") and

the Secretaries of State ("**SoS**") for the Department for Business, Energy & Industrial Strategy ("**BEIS**"), Department for Digital, Culture, Media & Sport ("**DCMS**"), Department for Transport ("**DfT**"), MHCLG, Department for International Trade ("**DIT**") and Department for Work and Pensions ("**DWP**"), as well as senior officials from across Whitehall. E-MIG did not make major decisions on the response to Covid-19.

18. Quad

a. In early April, the PM caught Covid-19. During the period of the PM's illness and consequent temporary absence from his role, a decision-making 'Quad' of Minsters was convened to make strategic decisions on the Government's management of, and response to, the pandemic. The Quad was chaired by the First Secretary of State ("**FSS**"), and also comprised of the CDL, the SoS for the Department of Health and Social Care ("**DHSC**"), and myself as the Chancellor. Responsibility for establishing the Quad, as with other senior Government decision-making structures, lay with CO and No. 10. Following the PM's recovery, the Quad continued to convene periodically, with meetings chaired by the PM, typically reviewing the Office of National Statistics ("**ONS**") figures and SAGE analysis, feeding into discussion about which measures to take and the proposed sequencing of introducing them. These discussions fed into formal decision points initially at COBR, and latterly through Covid(O) and Covid(S).

19. Bilateral meetings ("**Bilats**")

a. I also attended Bilats with the PM on a regular basis, in order to conduct discussions and make decisions that touched on purely economic factors.
b. Such meetings between a PM and a Chancellor are part of the normal process of Government.
c. These meetings with the PM were formal meetings where we would be accompanied by officials from HMT and No.10. This was a platform for me to raise any economic related issues that fell under my purview as the Chancellor (not just related to the pandemic) and would usually relate to a specific issue that either I or the PM wanted to address.
d. Decisions could be made in this forum (arising out of the longstanding convention that the Budget and other financially sensitive economic/fiscal

statements fall outside Cabinet collective decision-making), but otherwise the points raised would feed into the PM's decision-making process.

20. Covid(O) and Covid(S)

a. From late May 2020, Covid(O) and Covid(S) were set up and absorbed some of the decision-making role of COBR. Both were Cabinet Committees.
b. I sat on both Covid(S) and Covid(O), though other departmental Ministers, most often the CST, would attend Covid(O) meetings on my behalf. I consider that I was able to engage properly in decision-making through these committees and I could engage fully in the discussions around key decisions.
c. The objective of Covid(S) meetings was a high-level consideration of the Government's strategic response and recovery strategy. These were typically attended by the PM, the SoS for the Home Department ("**Home Secretary**"), the CDL, SoSs for the Foreign Commonwealth and Development Office ("**FCDO**"), DHSC, BEIS and other Cabinet Ministers, the CMO and CSA.
d. Covid(O) meetings were initiated to continue the work of the previous MIGs. The Committee was chaired by the CDL and Minister for the CO, and focused on the delivery and operational response to the Pandemic. They considered the implementation of key lines of operation including Smart Lockdowns, Supply and Capacity, Vaccines and Treatment, a Covid-19 Resilient Economy, and Vulnerability.
e. Decisions could be made at Covid(S) or Covid(O) or their work could feed into decisions made by the PM at full Cabinet meetings.

21. Domestic (Economic Operations) Cabinet Committee ("**D(EO)CC**")

a. In September 2020 the PM asked me to chair the D(EO)CC. The purpose of the D(EO)CC was to ensure the delivery of the Government's economic priorities across the whole of the UK. The immediate task of the Committee was to *"look at the cities recovery strategy"* and to address "*concerns that the economic recovery of cities is not in step with other parts of the UK economy"*. *"The aim was to agree a package of measures to propose to the PM"*.

SOURCES OF ADVICE

22. I describe below the main sources of advice that I relied upon during the pandemic.

HMT

23. As would be expected, my principal source of advice was from officials in HMT. In subsequent sections of this statement, I refer in more detail to the advice that I received from them.

24. HMT employed a wide range of economic data and analytical techniques to develop their understanding of the pandemic and provide advice on the economic and fiscal impact of Covid-19 related policy. It was acknowledged that all economic analysis conducted during this period was subject to an extraordinarily high degree of uncertainty. HMT regularly and openly shared economic analysis and data with the CO.

25. Given the speed of change during the pandemic, the Government response, and the attendant often significant economic impacts of both, official statistics could not always be produced in the time required to inform decisions. This necessitated departments across Whitehall, including HMT, to seek new sources of higher frequency data (e.g. card spending data) and to widen the scope of existing data observed from both internal and external sources.

26. HMT analysis was shared with the CO and PM throughout the pandemic to inform decision-making and support policy formulation.

27. HMT analysis on the economic and social impacts of non-pharmaceutical interventions ("**NPIs**") was published in several major government publications during the pandemic. HMT did not publish minutes of active discussions in the same way as SAGE, due to the potential risk of creating market instability by publishing market-sensitive analysis.

28. The Office for Budget Responsibility ("**OBR**") provides independent and authoritative analysis on behalf of the UK government, and one of its key roles is economic and fiscal forecasting. In addition to the publication of HMT's economic analysis, as referred to above, the OBR also published a substantial amount of relevant information.

29. HMT also worked closely with other departments. This was the case in particular with DHSC, as well as with the CMO and CSA. Information obtained from these sources would feed into the advice that I received from HMT officials. As part of the normal

Cabinet and Cabinet Committee process, meeting papers would include documents prepared by DHSC and other departments.

30. On occasion I would commission specific advice or modelling to consider different scenarios or specific areas of interest. For example, in July 2020, advice was sought in relation to a "segmentation" approach, whereby restrictions would be split by age group and vulnerability, as an alternative to a second lockdown. Advice also explored options using regulation to enforce NPIs.

31. Policy on NPIs, including assessment of equalities impacts, was owned by the CO and they would be best placed to answer on how equalities impacts were incorporated into the advice provided.

32. I understand that when it came to the exercise of their functions, HMT Ministers and officials had to comply with their legal responsibilities under the Public Sector Equality Duty ("**PSED**"), as set out in the Equality Act 2010. The PSED requires decision makers (i.e. Ministers) to show 'due regard' to the potential effects of a policy, service or decision on those who share one or more protected characteristics under the Equality Act. The appropriate assessment of and flagging of impacts to Ministers in the course of advice was a departmental requirement. HMT maintained in-house guidance to support the organisation in fulfilling its responsibilities under the PSED. This greatly encouraged consideration of equalities impacts from the beginning of, and throughout, policy development. It stipulated that Ministers must be informed on a timely basis in order to ensure they 'pay due regard' during early deliberations on the likely direction of a particular policy proposal, deliberations on its detail and, also, at the actual point of a final decision to proceed. Usually, Ministers would be so informed via submissions on the policy, including in the final piece of advice provided. The guidance noted that the level of detail required would vary, depending on the relevance and scale of impacts. The guidance also stipulated that records must be kept to demonstrate compliance.

33. In HMT briefings and papers that were circulated before meetings, there was often reference to and consideration of equalities impact. Whilst I tended not be provided with specific Equality Impact Assessments for proposed measures, which likely would have been considered by the Taskforce in relation to overall NPIs, the principle of equalities impact did form an integral part of the decision-making process. On occasion I was presented with Equality Impact Assessments in relation to HMT policies.

34. HMT acknowledged from an early stage that less well-off households were "*particularly vulnerable to the economic shock*" and that under 25-year olds, women, people from ethnic minorities and people with disabilities would all be more greatly impacted by restrictions. In addition, sectors such as hospitality, manufacturing, construction and tourism would all be greatly affected. Consideration was given to 'at risk' and other vulnerable groups within economic decision making, resulting in HMT policies such as Eat Out To Help Out ("**EOTHO**") and various other hospitality focused economic interventions as well as financial support for those self-isolating.

C. INTERNATIONAL COMPARISONS

35. It was clearly important to look at international comparisons in order to best develop the UK's response to the pandemic. My briefings from HMT officials often included international data and analysis. We consistently did international benchmarking in HMT on NPIs and support schemes. It is an area of analysis I considered at the time which was helpful in developing policy and approach.

36. I regularly spoke to foreign Finance Ministers from around the world to widen our pool of experience and data to draw from.

37. In addition, seeking international data provided an informed background as to where we sat comparatively in relation to other countries, as this needed to be done carefully. There was media spotlight on the fact that the UK's headline incidence or mortality rate was high, but this required more detailed scrutiny. On further analysis "*our estimates of incidence [were] potentially higher than other countries (at least in part) because we [were] testing more and undertaking large scale randomised community surveys*". On 1 June, for example, we tested 128,000, compared with Germany, Spain, and France, who each carried out between 40-49,000 tests per day. Italy carried out only 31,000.

38. Higher rates of testing naturally resulted in higher numbers of positive cases being identified. Similarly, looking at the rates of daily deaths per million (as calculated on a 3-day rolling average) rather than deaths alone, showed relative to population size, a greater mortality of death in Italy (9.31), Belgium (9.24) and Spain (6.84) compared to in the UK (3.57).

39. At a Government-wide level, the International Comparators Joint Unit ("**ICJU**") was established in April 2020 as a joint team between FCDO and the CO to collect international data and to provide analysis of different countries' responses to the crisis. I assume that HMT officials would have worked with the officials at ICJU, but do not have any direct knowledge of that.

40. The strategy paper for the 3 June 2020 Covid(O) meeting [RS/07/001/ **INQ000585043** also confirmed that "*these changes are consistent with the strategies pursued elsewhere; South Korea, France, Germany and Spain are all pursuing strategies based on very low incidence, aggressive TI and regional interventions*".

41. My briefing on SAGE advice [RS/7/002/INQ000088057] **[RS/7/003 - INQ000616670]** for this meeting analysed the relative functioning capacity of the UK's test and trace system as against other European countries when they eased restrictions. This noted that "*European countries, such as France, Italy, Ireland and Spain, are already relaxing measures more substantially than us, despite not having fully developed test and trace systems in place. We have a higher daily testing capacity per capita now than France, Italy and Spain when they first started easing restrictions, and continue to increase our capacity above that of other countries. We've performed more daily tests per capita this week than Germany did in their first week of easing measures. We've hired over 17,000 contact tracers, whereas Spain, for instance, only has around 500 trained tracers. France's app won't be ready before the start of June, and their manual tracing system will require 25,000 testers and tracers, yet they have already reopened shops and some schools.*"

D. OVERVIEW OF HMT'S APPROACH TO TEST, TRACE AND ISOLATE

42. HMT's approach to Test and Trace ("**T&T**") during the relevant period was underpinned by an understanding that widespread testing and self-isolation, particularly finding and isolating index cases, could reduce transmission significantly. Alongside benefits for patient outcomes and public health, Ministers saw the potential for an effective testing system to be beneficial to the UK's economic response to the pandemic alongside the more traditional economic policy levers, such as business support and employment schemes.

43. At the start of the pandemic, outcomes for patients, care users and public health were the government's overriding priority. I committed to give the NHS *"whatever it need[ed]"*

to tackle Covid. This included testing and tracing, where HMT's main priority was to provide DHSC with the funding they requested to procure an enormous amount of testing capacity to realise the Health Secretary's ambitions of 100,000 tests a day.

44. The NHS Test and Trace Service was formally launched on 27 May 2020 to lead on four areas of pandemic response, known as test, trace, contain and enable, and to bring these together into a single national programme. HMT officials recommended that Ministers agreed to DHSC's request for a £10bn ring-fenced budget. This was to include all expenses and approvals for T&T to date.

45. As incidence slowed, there was greater opportunity for HMT to put in place proportional measures to manage risks through setting DHSC a substantial delegated budget with agreement of outcomes, and programme prioritisation, in line with MPM and the spending framework. This enabled HMT to focus on economically strategic issues; the theoretical economic value of T&T could only be realised if, in practice, its use informed government decisions on NPIs, allowing these to be avoided or scaled back at the appropriate time. HMT's approach focused on advocating for a clear prioritisation of use for T&T, due to concerns that the UK's testing capacity risked being wasted without a clear plan to use the tests that reflected economic priorities. Advice provided to the CST and I on 28 July 2020 noted concerns from the programme, some of which are discussed at paragraph 59, and HM Treasury officials advised that any considerations around expanding the testing capacity beyond what was previously agreed should be subject to DHSC outlining clear plans to ensure that both existing and additional testing capacity could be delivered and providing clarity on how additional capacity will be targeted under each proposal, with a clear plan for improving T&T performance. This developed as the pandemic progressed. There remained unknowns as the T&T programme was still being ramped up and developed in real-time, however officials concluded that if the programme was effective then the value for money case was strong. Throughout the policy development process, HMT therefore continued to provide the T&T programme with the funding it requested throughout this phase, ultimately increasing its budget to £22bn to enable mass testing from autumn 2020.

46. The impact of vaccines from early 2021 meant increasing focus was put on working with DHSC, UKSHA and the T&T programme to strengthen spending control and prepare systems for returning to pre-Covid spending arrangements, including agreement of longer-term funding at Spending Review 2021 and through the Living with Covid strategy. In peaks, most notably after the emergence of the Omicron variant,

patient and public health outcomes remained paramount, and HMT continued to approve spending for the procurement of testing capacity as required.

47. Throughout the relevant period, HMT approved an enormous sum of almost £40bn to fund the NHS T&T programme. This comprised of £22bn in 2020/2021 (broken down into the following: £12.1bn announced in the Covid-19 Winter Plan, £2.9bn for a mass testing seed fund, and a further £7bn provided when HMT approved the NHS T&T business case **[RS/7/004 - INQ000585968]** and £15bn in 2021/2022. As part of the Living with Covid Strategy, UKHSA was provided with a core budget of £2.6bn for 2022/23, of which £1.16bn was spent on test and trace.

48. Health policy in the UK is primarily a devolved matter. This included policies around testing, tracing, and isolating in the event of infectious diseases. HM Treasury therefore does not approve health and care spending by the Devolved Governments as they take their own decisions and are accountable to their respective legislatures. HM Treasury's involvement in TTI was therefore limited to the Test and Trace programme in England and the Devolved Governments received adjustments to their overall funding in the usual way as per the Barnett Formula.

E. MY ROLE IN KEY DECISIONS RELATED TO TESTING, TRACING, AND ISOLATION

49. On 2 March 2020 **[RS/7/005- INQ000056217].** I attended a COBR meeting. At the meeting, the CMO provided a situation update that *"…contact tracing for the source of infection for the last two cases in the UK had not been successful and that in both France and Germany there was now sustained community transmission".* During this meeting, I do not recall the CMO providing any reasons for the unsuccessful contact tracing of these cases.

50. On 8 March 2020 I took part in a call with the CMO and CSA [RS/7/006/ INQ000088047]. In relation to NPIs, it was said that the *"first step will be to recommend all with symptoms to self-isolate – this will need to be announced soonest but best done in a week, when we are out of normal respiratory illness season. Whole household and isolation of elderly/with symptoms can wait".* I do not recall that any specific reasons were provided to me for delaying the isolation of those who were symptomatic, against the background of *"normal respiratory illness season".*

51. I attended a COBR meeting on 12 March, during which SAGE advised that a 7-day isolation policy should be implemented no later than 20 March in order to delay and flatten the peak of infection to help the NHS cope with demand. This decision was based on data that indicated the peak was expected between mid-May and mid-June. [RS/7/007/INQ000056221]. The implementation date was discussed, and it was felt that, whilst one option could be to announce the policy as early as the following day, this would not give employers, particularly within social care, adequate time to prepare. There were also challenges around ensuring the appropriate systems to cascade information on symptoms were up and running for NHS 111. There were concerns that, if the policy were to be implemented the following day, there could be a huge surge in the number of people contacting NHS 111 immediately after the announcement. This could deluge the system, meaning that people requiring urgent triage, for example for septicaemia, would not get through and would be severely impacted as a result. Therefore, the announcement of the policy was delayed so that the NHS could amend the algorithms to ensure the right information had been cascaded through the system. It was felt that these issues would be resolved by 16 March, and the effect on the virus' epidemiology would not be significant.

52. During the same meeting, information was provided by the GCSA and SAGE on "people's resilience". The basis for this information, including whether any behavioural science was relied upon, is not covered in the minutes of the meeting, and I cannot recall whether it was discussed.

53. On 4 April 2020, DHSC published a testing strategy, the centrepiece of which was to deliver 100k tests per day (across all 5 'pillars', encompassing viral and immunity testing), by the end of April. However, the strategy was fluid and constantly evolving to reflect the changing circumstances and evidence. Officials provided an update to CST and I on DHSC's progress on the testing strategy, noting the global uncertainty around the supply of a fit for purpose antibody test [RS/7/008/INQ000056209].

54. On 7 May, Baroness Harding was appointed as the Executive Chair of the Test and Trace Taskforce, reporting directly to the PM. HMT officials advised myself and CST on 11 May, outlining what they believed HMT's priorities for the T&T programme should be **[RS/7/009- INQ000585920].** This included:

    a. Substantially scale up both testing (measured by completed tests) and tracing, to a high enough level to keep R under control as restrictions are loosened –

with higher ambition for both domestic manufacture and international procurement of tests, and a realistic expectation of the potential role of the app vs manual tracing;

b. Deliver a much faster test turnaround (<24hrs, with focus on innovative models which could deliver onsite/within minutes) and reduce test/trace false positives, to minimise 'needless' self-isolation and generate public confidence;
c. Use testing and tracing specifically to get control of the outbreak in care homes immediately, through stronger prioritisation and innovative delivery mechanisms, given care home transmission is now driving R;
d. Develop well-functioning national surveys and early warning systems to enable national-level decisions on the NPIs to be taken more decisively and more regularly;
e. Improve engagement with the business community to ensure implementation of both testing and tracing is a core part of plans for return to work.

55. Officials also attached slides that set out data gaps **[RS/7/010 - INQ000585044]** where they would like to see the new data scientists and analysts work towards refining as part of a dashboard. HMT were being provided with a daily breakdown of capacity, completion and testing speed by distribution channel, but requested data on which distribution channels were under/at capacity and how long each channel took. Additionally, a daily breakdown of test users was provided, but data was lacking on which population groups were being tested. I agreed with the areas for prioritisation on 15 May [RS/7/011/INQ000585045].

56. The May Plan [RS/7/012/INQ000198892] was published by the CO on 11 May 2020, which provided a timetable for the phased relaxation of NPIs into the summer, subject to health and scientific data from SAGE on the R rate. The May Plan referred to TTI as 'smarter controls and measures' and stated that TTI would be equally effective at controlling the epidemic. The basis for this assertion is that, rather than isolating the whole population in lockdown, TTI was considered 'smarter' as people were only required to isolate if necessary. This enabled the government to balance its aim of enacting measures that had the largest effect on controlling the epidemic but the lowest health, social, and economic costs. The use of TTI meant that restrictions could become more reactive and localised, enabling the lifting of more measures for more people at a faster pace.

57. I attended a Covid(S) meeting on 2 July chaired by the PM to discuss contingency plans should England face a national increase of infections, and the challenges the winter months were likely to pose. In particular, this included discussion of an early warning system and prior agreement on triggers and possible responses. Officials noted in advice that decision making had focused heavily on R and had recommended using a much broader range of metrics including hospital admissions, T&T performance data, NHS capacity and a range of sources on behaviours. The advice also noted that, for an effective contact tracing system, SAGE had previously explained that 80% of symptomatic cases would be tested, with 80% of contacts isolating within 48 hours for R to remain below one. However, statistics suggested that only approximately 25% of SAGE's suggested contacts figure were currently isolating due to issues with the contact tracing system itself, and therefore identifying a greater proportion of cases and improving contact tracing should be a priority. The T&T system had been designed and funded to identify contacts and was not performing sufficiently. Therefore, the key issue was to initially focus on ensuring that 80% of contacts were being identified by the system at the outset, as opposed to concentrating on the percentage of contacts that were isolating.

58. The advice noted that, even if the system was improved, compliance could be an issue, and financial incentives may be raised by other government departments as a possible solution. However, there was no firm evidence of non-compliance at that time. YouGov polling produced in a briefing note **[RS/7/013 - INQ000616672]** suggested that 81% of people would probably or definitely self-isolate if asked to do so, contrary to polling relied upon by other departments. As a result, I was advised that the first step to improving compliance should be through non-fiscal levers such as stronger enforcement measures, as seen in other countries such as Australia and Singapore. Therefore, I was advised that I should only reconsider the case for further financial support if evidence suggested that compliance was a problem and that stronger non-fiscal measures were not achieving results, and only then if it could be shown that the benefits from avoiding re-imposing nationwide NPIs outweighed the costs of doing so. HMT officials' briefing provided me with evidence in support of contingency planning and learning from experience to develop a 'smarter' response in future, in particular ensuring the UK had an effective test and trace system and efficient Covid-19 data flows. Evidence from local measures in Leicester suggested that efficient data flows from Test and Trace into the centre of Government could be crucial in suppressing local outbreaks and avoiding a second national lockdown. The UK at this point had the capacity to conduct a high number of daily tests, and HMT officials expressed the view

that attention should turn to agreeing how to best prioritise the use of antigen tests to target high risk areas and individuals, and what further technologies could be used to improve timing, accuracy, and usability. Officials suggested I reiterate that HMT would have control over the economic policies included in any such plan **[RS/7/023 - INQ000596042].**

59. On 22 July, the PM chaired another Covid(S) meeting on contingency planning which covered ways to prevent a national outbreak, as well as the triggers for escalation. HMT officials set out the case for why an effective Test and Trace regime was essential to reduce the risk of a national outbreak, and that "baseline" NPIs, reducing infection rates at a low economic cost, must be pursued. In the briefing for this meeting, HMT officials recommended that in a situation where further actions were needed, the Government's strategy should be focused on early detection and rapid, targeted interventions that minimised the economic impact [RS/7/015/INQ000088095].

60. Over the summer, there were some concerns around the effectiveness of the T&T system. The programme was not yet reaching SAGE targets for an effective system. HMT officials advised myself and CST on 28 July that they were concerned that as much as 20% of daily testing capacity was going unused, only 60% of the public were aware of T&T and that overall, fewer than 19% of potential contacts of Covid-19 cases were being told to isolate [RS/7/016/INQ000088096]. Financial support to encourage adherence to self-isolation requests continued to be considered over this period which is described further at paragraph 76 onwards. However, it was striking that officials advised me that less than a fifth of relevant people were even being told to isolate in the first place, let alone how many of them were complying. Those figures suggested to me that the bigger issue was the system identifying and contacting the relevant people to isolate in the first place.

61. While DHSC advocated for an expansion of the T&T system, officials wanted to first focus on addressing the performance issues within the programme and improving cross-Whitehall governance to ensure that the strategy was deliverable, better targeted/prioritised on the basis of evidence, and more fully utilising testing capacity that had already been procured. Officials advised us that any considerations around expanding the testing capacity beyond what was previously agreed should be subject to DHSC outlining clear plans for ensuring that both existing and additional testing capacity could be delivered and providing clarity on how additional capacity will be

targeted under each proposal, with a clear plan for improving T&T performance. I agreed with the recommendations on 3 August 2020.

62. Following the Government's target to increase testing to 800K tests a day, on 4 August officials sent advice detailing DHSC's significant funding request to increase the £500m seed funding to support mass testing to £1.5bn. HMT's official view remained that mass testing, if successful, would deliver significant economic benefits. However, officials continued to have concerns over deliverability and realistic costings [RS/7/017/INQ000232097].

63. On 5 August, the PM held a meeting on testing and indicated that he wanted to roll out population level testing by October [RS/7/018/INQ000585049]. Subsequently, officials sent advice to CST and I on a city-wide screening pilot, testing once a week for 6-8 weeks at a cost of c.£53m [RS/7/019/INQ000585050]. CST expressed concerns about the challenges of testing such a large area, given likely compliance challenges and, as a result, I requested to see a business case.

64. At a Covid(O) meeting on 6 August, DHSC presented an ambition to deliver 800k Tests per day by the end of December. I approved this significant funding request on 9 of August, subject to conditions including that there would be a Treasury Approval Point ("**TAP**") at the end of September, where a business case is presented to a TAP panel summarising the delivery plan for review, and that HMT is involved with the testing strategy as it develops. This achieved widespread support, with CDL summarising that the decision had been collectively agreed, despite HMT reservations.

65. On 11 August officials provided me with a briefing for a PM meeting to discuss whole population mass testing. Officials noted the best way of breaking transmission chains was finding positive cases and casting a wide net. However, it was noted that further assurances were still needed on testing the technology and understanding the costs [RS/7/020/INQ000585052]. In this meeting, I agreed to provide DHSC with a £500m seed funding budget to procure tests for population wide testing at risk.

66. On 17 August, DHSC officials requested £2.1bn additional funding in order to reach the target of 800k tests per day by the end of December. Officials recommended that I approve the request subject to a condition to include break/wind down clauses into contracts to manage the risk and enabling DHSC to switch to cheaper contracts [RS/7/021/INQ000585053]. I did so on 18 August [RS/7/022/INQ000585054]. The following day, I chaired a meeting on behalf of the PM on population testing discussing

the challenges of scaling up. Baroness Harding noted they were working on indicative costs.

67. On 11 September, at my request, officials updated myself and CST on testing data and mass screening. DHSC data indicated that there was currently lab capacity to meet 180k tests a day and capacity was increasing daily to meet the target of 500k daily tests by the end of October, followed by 800k tests a day in January. The update noted current challenges around improving compliance, the ability to scale up and the need for better data, including on economic impact **[RS/7/023 - INQ000596042].**

68. On 5 October officials provided me with a briefing for a meeting with the PM. It noted support of mass testing, but further assurances were needed on the costs, technology and levels of participation **[RS/7/024- INQ000596047].**

69. On 14 October officials provided me with an update on testing and recommended pausing further approvals until a clear strategy for the use and prioritisation of tests had been agreed [RS/7/025/INQ000585055]. HMT officials estimated that the UK would have capacity to conduct 4m tests a day by November and were concerned that this capacity risked being wasted without a clear plan to use the tests that reflected economic priorities. I was not content to pause funding as this could create a blocker to the continued efforts to scale testing capacity. I therefore requested officials provide further advice setting out HMT's proposal for how to best use testing capacity to the benefit of the economy. As HMT were supporting T&T with increasing levels of funding, officials emphasised the need to be kept in the loop of rationale and data which demonstrated the benefit from testing for different use cases **[RS/7/026- INQ000616671].** This information was sought in order to further enable HMT to assist DSHC with decision making around the deployment of mass testing technologies.

70. On 26 October I received further information on DHSC's testing strategy. It noted DHSC's three priorities for testing: Protect (most at risk); Find (cases to reduce R); and Enable (return to normal life). Officials argued that HMT should actively seek to engage and shape the 'enable' strand of work more directly to have a greater impact on economic performance over the coming months [RS/7/027/INQ000585056]. I agreed with this policy approach on 28 October [RS/7/028/INQ000585057], which included trying to secure agreement across government for sectors that should be prioritised through mass testing, pushing UKHSA to provide clearer guidance for private sector test usage, and increasing the clarity of policies on using tests.

71. On 25 November officials sent me advice regarding a proposed community testing offer to local authorities. Officials suggested this should be supported, provided that funding was drawn from the existing NHS Test and Trace budget. I confirmed my agreement that same day [RS/7/029/INQ000232111].

72. On 10 December Lord Agnew wrote to me stating he had significant concerns about T&T's governance and how it was using public money. Lord Agnew believed the previously agreed £150m spending controls should be reviewed. CO controls had repeatedly been shown to provide necessary commercial input without bringing undue delays, and Lord Agnew considered this scrutiny to be vital. Additionally, he suggested freezing approval on long term contracts until demand forecasting and an outline governance structure was developed and requested additional information and reassurance on how T&T planned to avoid duplication of costs and maximise the experience that teams had gained over the previous months. Whilst Lord Agnew recognised the enormity of the challenge T&T had faced, his letter stressed that the country was no longer in crisis mode. Therefore, establishing good governance and thorough commercial rigour would reduce wasteful spending and inefficiency when there were so many other calls on taxpayers' money [RS/7/030/INQ000585059]. Alongside this letter, I was also forwarded correspondence from Lord Agnew to Baroness Harding, in which he further reiterated his concerns regarding a number of business cases that had been received. Lord Agnew posed a large number of questions in order to ascertain Baroness Harding's long-term strategy for the range of possible tests now available, without which it was difficult to see which business cases should be approved without giving rise to considerable overcapacity [RS/7/031/INQ000477870]. I did not respond specifically to Lord Agnew's letter as the department and CST were actively engaged with the concerns he expressed which was reflected in correspondences throughout this period.

73. On 16 February 2021, I received advice on the Covid-19 roadmap ahead of it being published the following week, which set out the framework for lifting lockdown [RS/7/032/INQ000113719]. CST and I recognised the need for testing over the coming months to support reopening the economy. However, we had concerns over delivery, costs of testing at the scale proposed in the roadmap on an ongoing basis and the impact this was expected to have [RS/7/033/INQ000585061].

74. On 28 December 2021, officials sent advice to CST detailing UKHSA's request for approval to procure an additional 350m LFDs to sustain levels of demand until the end

of the financial year. Despite the two recent procurements earlier in the month intended to ensure sufficient supply until the end of March, UKHSA projections indicated a stock-out in early February. Given the surge in demand officials recommended 200m LFDs were approved in the first instance, subject to conditions including: UKHSA continue to provide monthly reports on LFD volumes, UKHSA officials work with HMT officials to improve quality of information, and UKHSA to confirm that the BSCI supply chain audit will take place by 30 December [RS/7/034/INQ000477896]. CST and I approved this request on 28 December.

75. On 20 January 2022, officials sent advice to CST and I on managing UKHSA's spend for FY 22/23, following their steer that there should be no additional funding for testing. The advice recommended rapidly coming to an agreement with DHSC on a baseline budget for 22-23 and to consider additional requests on a case-by-case basis. On 2 February an email was sent to the SoS for DHSC noting the current level of spend was unsustainable. The email confirmed that CST and I's strong view was to begin an immediate ramp down of UKHSA Test and Trace operations, in line with the Spending Review settlement assumptions and in order to deliver spend in Financial Year 2022/2023 as close to our agreed budget as is possible. The email also requested details including a breakdown of costs and head count [RS/7/035/INQ000585062].

F. MY ROLE IN KEY DECISIONS RELATED TO THE PROVISION OF FINANCIAL SUPPORT FOR THOSE SELF-ISOLATING

76. As the infection rate of Covid-19 began to increase in the UK, changes to Statutory Sick Pay ("**SSP**") were considered very early on as a lever to support people. On 1 March 2020 officials advised me on potential options to leveraging SSP [RS/7/036/INQ000585063]. The advice considered the overarching objective, along with the operational feasibility and legislative requirements. The advice recommended:

- Temporarily extending SSP to self-isolators who are currently not eligible
- Temporarily replacing the GP fit note system
- Extending both of the above measures to benefit claimants
- A commission to HMRC and DWP to understand the feasibility of government intervention to fund SSP for SMEs
- A commission to DWP to understand the operational and legislative requirements of an extension of SSP to self-employed people

On 3 March, more detailed advice was sent to me on the proposed legislative and operational changes to SSP [RS/7/037/INQ000585064]. The following day, the PM announced that SSP would be paid from the first day (rather than the fourth day) of sickness, for those self-isolating due to Covid-19. Considerations were also made with respect to reducing the financial burden on those not eligible for SSP. For example, HMT explored with DWP the possibility of extending SSP to the self-employed, as well as the possibility of exempting self-employed universal income claimants from the minimum income floor ("MIF"). This exemption was subsequently introduced in the May 2020 Budget. Work was also undertaken with DWP to ensure that new claims for support made through the New Style Employment and Support Allowance were prioritised and processed quickly.

77. I met with HMT officials on 4 March 2020 where I was given a SAGE/scientific update. As recorded in a readout of the 'pre' meeting on 4 March 2020, I asked officials to "*check with SAGE that 14 days is 100% their and [PHE's] central advice; this will inform SSP and other decisions around how long to provide [the Government] support for*". During the preparation for this meeting, I had also made it clear that I was aware of the risk of abuse of various options for support that were being considered but that I was of the view "*that inaction is the greater risk*" [RS/7/038/INQ000232147].

78. On 9 March, officials sent advice detailing the operational design of a proposed SSP rebate scheme to reimburse SMEs for the cost of paying SSP for employees. The system was designed to deliver the rebate quickly and to mitigate any risks [RS/7/039/INQ000585065]. The following day, at my request, officials provided international comparisons on support and further details on a local hardship fund [RS/7/040/INQ000585066] [RS/7/041/INQ000585067]. I was provided with a breakdown of financial measures taken, as well as the scale of funding (as a percentage of GDP) provided for the implementation of such measures in the following countries: China, Hong Kong, Japan, South Korea, USA, Italy, France, Ireland and Germany.

79. On 11 March, as part of Spring Budget 2020, SSP eligibility was increased to include all those advised to self-isolate due to Covid-19, even where they had not yet presented with symptoms. It was also announced that the cost of providing SSP to any employee off work for up to 14 days due to Covid-19 would be refunded for businesses with fewer than 250 employees by the Government [RS/7/042/INQ000236874]. For

those who were ineligible for SSP, access to other benefits, for example new style Employment Support Allowance, was made quicker and easier. A Hardship Fund of £500 million was established for local authorities to use to support vulnerable families in their areas at their discretion. [RS/7/043/INQ000065322]

80. On 22 May, officials provided me with advice as to whether the department should provide additional financial support to the 'clinically extremely vulnerable' group who would be asked to remain 'shielded' [RS/7/044/INQ000585068]. It was noted that this group were able to access the full suite of government financial support (e.g. Coronavirus Job Retention Scheme ("**CJRS**"), Self-Employment Income Support Scheme and SSP) and recommended waiting for more clarity from MHCLG and DHSC about the future scope of the shielding programme before making any decisions. Officials also asked for initial policy steers on whether I wanted HMT to work up further income support options for this group, although recommended against seeking a significant income replacement. I agreed at this stage that there should be no income replacement stream and a combination of SSP, the hardship fund, and other existing support like Employment Support Allowance and Universal Credit should be utilised. I confirmed I was content for this issue to be considered further once more information was available [RS/7/045/INQ000585069].

81. On 25 June I was provided with advice in response to a No10 commission on 19 June for options on financial support for people unable to work on account of medical advice, including those told to self-isolate, the shielded and those affected by local lockdowns. The advice was that these groups were able to draw on the government's significant existing support (e.g. CJRS), as well as the pre-existing welfare and employment rights system [RS/7/046/INQ000585070].

82. Later that month, I received a No. 10 note on financial support. In considering whether those isolating due to NHS Test and Trace should be given further financial support to increase compliance with isolation requirements, it was noted that there was "*a lack of robust data*" on the "*reasons for non-compliance (in particular, financial pressure [versus] social factors*" and that "*we should look at non-financial routes of securing compliance before reaching for financial incentives*". It cited polling from YouGov, saying reasons for resistance to self-isolating "*included practical and emotional as well as financial reasons*". In addition, it was said that *"if non-compliance proved to be high, it seems unlikely that a financial incentive would increase compliance among the latter group […] Unless some* form *of enforcement was introduced, there would be nothing*

to prevent people who are inclined to break isolation from taking the financial incentive and breaking isolation anyway". The briefing [RS/7/047/INQ000585071] noted further work was needed on measures to increase operational effectiveness of the Test and Trace system - notably capturing more positive cases, getting non complex cases to share their contacts, and actually reaching those contacts. It further noted data on compliance was thin, and presented other measures that could be taken to improve compliance (e.g. using underutilised call centre capacity) before considering financial incentives. Funding had been provided to trace 9,600 index cases per day, but only 1,000 per day were entering the system. The data suggested the overriding issue was getting more people into the Test and Trace system in the first place, not just improving compliance among those in the system. One of the actions coming out of the meeting was for Test and Trace to "find a greater share of infected people" and "improve contact tracing completion rates". A review was to be held in three weeks' time to take stock [RS/7/048/INQ000585072].

83. In late July, HMT received steers from No.10 to explore greater financial incentives to support local areas that may need to reintroduce NPIs. Data showed that hotspots were being driven by household transmission and it was suggested that people were not prepared to isolate due to financial constraints. However, there was no compelling evidence presented for this and I felt the first step towards stopping the spread should be to stop people interacting with each other socially [RS/7/049/INQ000585073]. Officials advised me on 3 August providing potential options for further support and notes on modelling. The advice stressed that decisions needed to be driven by evidence and must be properly targeted to avoid unnecessary economic harm. Based on scientific understanding on what was driving the spread of the virus, officials remained of the view that implementing social rather than economic restrictions were more likely to be effective. The advice noted that officials were *"not convinced that financial support is a silver bullet for the majority of people",* and there was limited evidence in support of claims that financial incentives would improve overall compliance and participation. However, the advice recognised that offering support in some limited cases could be beneficial, for example to those ineligible for SSP [RS/7/050/INQ000585074] [RS/7/051/INQ000585075]. As a result, I agreed with the recommendation to support a means tested option at £13 per day, as this figure was broadly in line with the daily rate of SSP [RS/7/052/INQ000585076].

84. The following day, I met with Dido Harding to discuss financial support. I confirmed officials were looking at options for further targeted support. Dido and I were in

agreement that the top priority for ensuring the success of the programme was better communication and messaging to the public regarding the importance of testing and self-isolation [RS/7/053/INQ000585077].

85. On 23 August I received advice from my officials on DHSC's plan to announce trials in Oldham, Pendle and Blackburn. The pilot involved payments of £13 a day (the sum that was previously agreed), made to people on low incomes who could not work because they had been required to self-isolate by NHS Test and Trace. The advice recommended approving the announcement, subject to several conditions including that the payment level is kept at £13 per day and DHSC undertook further work to overcome any hurdles to making payments available to those without recourse to public funds [RS/7/054/INQ000585078]. The following day I agreed to the recommendation subject to those conditions [RS/7/055/INQ000585079]. HMT officials recommended not increasing the amount past £13 per day. Aside from a £13 payment being considered adequate for its proximity in value to SSP, it was determined that increasing the payment and thereby setting it at a rate where some would receive more from the payment than from work could increase fraud-risk.

86. Following a steer by the PM for stronger incentives to isolate, on 16 September officials sent advice to me on the proposal for an England wide self-isolation payment scheme with Barnett consequentials. The advice recommended eligible individuals in receipt of means tested benefits would receive a flat payment of £500 for 14 days of isolation. This payment was to be exempt from National Insurance contributions. HMT officials followed up the next day with a note for No. 10 setting out options on self-isolation payments. No. 10 had previously put forward an amount of £644. However, I was advised that this risked the payment being viewed as income replacement as opposed to an incentive to isolate. A balance had to be struck between an amount that was sufficiently high to incentivise people, and possible perverse incentives, fiscal and fraud risks, the former coming from people being paid more to self-isolate than to work. Therefore, I was advised to agree to a one-off payment of £500, which is a purposefully round and meaningful amount but was not tied to any particular income level. [RS/7/056/INQ000585080]. I agreed with the recommendation on the same day [RS/7/057/INQ000585081].

87. Throughout this process I believed that it was essential to strike the right balance between enabling and therefore incentivising individuals to self-isolate when required to do as a result of Test and Trace whilst maintaining a functioning and productive

workforce. Additionally, there was limited evidence that financial incentives were the decisive factor in the success of these programmes. As detailed at paragraph 81, the data that was available, for example from YouGov polling, suggested that there were several non-fiscal factors contributing to overall resistance to compliance with self-isolation requests. Behavioural analysis supported a more nuanced view that human behaviour is complex, and multiple factors influence the decision of an individual about whether or not to self- isolate when they test positive for Covid-19, not just their financial circumstances. As discussed at paragraph 57, I also considered evidence from international comparators when determining the options available and possible effects of leveraging non-fiscal methods of combating non-compliance.

88. The Test and Trace Support Payment ("**TTSP**") scheme was launched on 20 September, following agreement at a Covid(O) meeting on 18 September 2020 [RS/7/058/INQ000090196]. Initially the scheme was expected to run for 4 months until the end of January 2021.

89. Following this, on 21 September, HMT approved an initial allocation of £40 million funding, requested by MHCLG for local authorities to administer the TTSP scheme [RS/7/059/INQ000232134].

90. Furthermore, on 28 September, following engagement with the CO and No.10, HMT approved funding for a separate discretionary fund to be allocated for local authorities to administer for "*hard cases*". This was estimated to provide support to approximately 30,000 additional individuals required to self-isolate, that would not be eligible for funds under the TTSP scheme, but where there was a compelling case that they should receive support [RS/7/060/INQ000232103]. When determining the tax implications of the T&T support payments in August 2020, HMRC's technical advice had been that payments would be subject to income tax by default and would be captured by existing legislation. HMT officials recommended not exempting these payments due to concerns as to the administrative burden on local authorities and divergence from the treatment of other Covid support schemes and SSP that were not exempt. I agreed that the grants should be subject to income tax as they were a replacement of earnings but should be exempt from class 1 employee and employer National Insurance contributions (NICs) to reduce cost burdens for employers [RS/7/062]. Subsequently, the payments were exempted from Class 2 and Class 4 self-employed NICs. Following the planned rollout of the discretionary scheme, the same concerns remained on tax

treatments and it was recommended the payments should accordingly also be subject to income tax and remain exempt from NICs.

91. On 28 September 2020 a legal requirement was introduced for people to self-isolate if they tested positive for Covid-19 or were contacted by NHS Test and Trace. The legal duty was introduced to ensure compliance and reduce the spread of the virus. To promote compliance, NHS Test and Trace increased their contact with those self-isolating, and the police were engaged in checking compliance in high-incidence and high-risk areas, as well as investigating and prosecuting high-profile and egregious cases of non-compliance. Fines for those found to be breaking the rules started at £1,000, rising to £10,000 for repeat offenders.

92. Regardless of any financial incentive, from this point it was a legal requirement for those who tested positive or were contacted by NHS Test and Trace to isolate.

93. Officials provided me with a follow up note on 17 November following my request for more information in light of expectations that DSCH would begin to push for an extension to the £500 payment in the coming days or weeks. It was important to try to understand the impact that the existing payment was having on overall compliance with self-isolation regulations. As such, officials recommended that the immediate focus by DSCH should be on ensuring existing interventions worked and were improved, before expanding their eligibility criteria. The note of the 17 November provided further details on the interactions between the £500 self-isolation payments and the changing self-isolation periods. The advice noted that, as the self-isolation period for most index cases had reduced to 10 days, the scheme now stood at £50 per day. As the requirement on self-isolation changed to require individuals to isolate for a shorter period of time, the flat rate £500 TTSP payment became more generous in relative terms. When it was first introduced, the £500 payment was intended to support isolators for a 14-day period, which effectively equated to £35.71 per day, or 82% of the National Living Wage rate at that time, although this was not the basis upon which the sum had been calculated, as paragraph 86 refers. When the self-isolation requirement for most cases was reduced to 10 days, the £500 payment equated to £50 per day, or 115% of the National Living Wage – a 40% increase in effective generosity. It also detailed concerns around low uptake and explained significant changes mid-run could create operational challenges and further delays for local authorities to develop systems to administer [RS/7/061/INQ000585082].

94. Ahead of a Covid(O) meeting on 21 November, officials provided me with a briefing. I was advised that there was a lack of evidence that financial incentives were why people did not isolate, and surveys conducted by DHSC suggested the main drivers of breaches amongst those with symptoms were loneliness/boredom (30%); because they had mild or improving symptoms (29%); or to go shopping (20%). Only 8% reported doing so in order to go to work (which is a potential proxy for financial pressure to do so) [RS/7/062/INQ000113694]. Attendees at the meeting included CMO who would have contributed to the discussion and provided their views.

95. On 3 December, officials provided me with advice ahead of a Covid(O) meeting where DHSC was expected to request ministerial backing to extend eligibility for the TTSP to 1) everyone earning median wage or less; and 2) one parent per family of a child self-isolating. Officials recommended that it was the wrong time to agree extending eligibility of the TTSP given the uncertainty over how the self-isolation regime would operate next year, in addition to the significant delivery challenges that would come with an expansion and the lack of evidence that financial support had improved compliance [RS/7/063/INQ000585084]. DSCH continued to push for the expansion of the TTSP scheme over the following weeks and HMT officials therefore sought to consider available options for balancing existing administrative challenges around delivery with more generous and targeted funding to ensure the continued benefits of the scheme were felt.

96. On 14 December, advice was submitted to me ahead of a Covid(O) meeting on 17 December that was being held to discuss DHSC's proposal for the future of the TTSP scheme. This included proposals for extending and expanding the eligibility of the TTSP and providing financial incentives for local authorities to implement the scheme. HMT agreed to the following proposals:

    a. Extending the TTSP scheme until 31 March 2021.
    b. In principle, agreement to deliver practical support to people self-isolating. DHSC's behavioural evidence indicated that the provision of tangible, non-financial support such as food parcels, alternative accommodation, medicines, and medical health services might prove effective at improving compliance through the removal of common barriers to isolation that had been identified. However, HMT did not agree with the proposals to relax the means-tested eligibility criteria for the scheme. Instead, HMT requested an alternative proposal based on a top up to DHSC's discretionary pot.

c. HMT officials agreed that it was vitally important that people were encouraged to self-isolate, however there was limited evidence to suggest expanding eligibility to those on higher incomes represented value for money. There were also concerns that DHSC's proposal could potentially incentivise people to get infected. It was unclear whether expanding eligibility would improve compliance, especially given there were delays in making payments. [RS/7/064/INQ000585085]

97. The following day I agreed to all the recommendations [RS/7/065/INQ000585086]. HMT proceeded to increase the discretionary pot by £10 million increments, first on 21 December, increasing the total pot to £25 million and on 11 February 2021, by a further £10 million to a total of £35 million. After HMT approved the funding for the discretionary pot, DHSC was responsible for its allocation, monitoring and review. Latter advice noted the low uptake of the scheme, with over 97,000 successful applicants (with 110,000 unsuccessful applications) only representing 25-30% of those that were eligible for the TTSP scheme.

98. On 16 December the government extended the TTSP scheme to include parents and guardians of children who had been advised to self-isolate by their educational setting.

99. On 13 January 2021, I was advised on options to improve self-isolation compliance [RS/7/066/INQ000585087]. Officials recommended against broadening the eligibility of the scheme due to concerns around impact and instead focus should remain first on improving uptake and administration. The advice noted that a key compliance challenge came from people with symptoms who were not in the system. DHSC polling of symptomatic individuals found that only 19% claimed to have tested and only 26% of those fully complied with self-isolation. The advice also included a summary of international comparisons. I agreed with the advice, wanting to further understand the issue and asks. CST was also provided with the advice and agreed that there was currently no evidence to suggest that increasing the payment would result in a marked change in behaviour, especially given that it took on average 8 days to receive it. CST and I shared the view that daily testing should instead be encouraged over isolation as the available evidence on which measures were likely to increase compliance was limited, which created the risk of an ineffective spend. [RS/7/067/INQ000585088].

100. On 18 January, ahead of a Covid-O meeting, officials sent me a briefing [RS/7/068/INQ000585089] [RS/7/069/INQ000585090]. It noted officials wanted to see

further evidence on the expected impact to any changes to the payment scheme and noted other challenges to self-isolation needed to be considered. Data provided to HMT on reasons why people were breaking self-isolation pointed to a number of challenges more prominent than financial concerns. The uptake of payments was low, at around 25%, and in many cases there were significant delays to those payments being delivered. The average payment took 8.3 days to make, which was similar to the duration of self-isolation duty from the onset of symptoms, so was likely to reduce the incentive effect. The advice noted that addressing delays to payments and increasing awareness for the current payments may be a higher priority than increasing their value. On 19 January a Covid(O) meeting took place to discuss compliance and enforcement [RS/7/070/INQ000585091].

101. On 17 February, ahead of the roadmap out of lockdown announcement, HMT agreed to extend the eligibility of the TTSP scheme to parents and guardians of school-age children, and to increase the discretionary funding available to local authorities to £20 million per month from March 2021 until the end of 30 June 2021, to be funded from the £15 billion NHS Test and Trace envelope for the financial year 2021-22. These changes were published in online guidance on 22 March 2021.

102. In April, it was agreed that HMT would fund pilot schemes to trial alternative, more generous approaches to self-isolation support subject to a number of conditions. This was in the context of the NHS Test and Trace programme being more established by this point, and in support of ongoing surge testing. There was an objective to build evidence in order to shape the scheme and future initiatives.

103. However, advice to the CST in June 2021 noted that no financial pilots had been launched by then. In September 2021, CST agreed to continue the existing self-isolation support schemes until 31 March 2022.The pilots were not a factor in officials' advice to CST on this extension, and did not provide conclusive evidence to inform policy making.

104. When the prospect of widening eligibility to TTSP was raised again in June in the context of decisions on 'Step 4' of the Roadmap, advice from HMT officials on 9 June [RS/7/071/INQ000113741] and a follow-up briefing [RS/7/072/INQ000232131] set out that:

    a. There was insufficient evidence that widening eligibility criteria would make an impact – evidence from local authorities that decided to implement more

generous eligibility through the 'discretionary pot' showed no increase in overall take up.

b. There was evidence that other, operational, changes to the existing scheme would increase uptake: uptake of TTSP by the eligible population was only 30%, payments took an average of 13.3 days to arrive (rather than during the self- isolation period itself); over half of local authorities had unclear, incorrect or misleading information on their websites; and the 'discretionary pot' was underutilised – around half of local authorities expanded eligibility criteria with the additional funding, and 55% of councils spent less than 30% of their discretionary funding allocation.

c. Lack of financial support was not the primary reason that people did not come forwards for testing or broke self-isolation rules. Evidence showed that many people did not understand when they needed to be tested. 28% of people dismissed symptoms as too mild or not as Covid-19, and 20% did not know they were eligible or did not know how to get a test. ONS survey data showed that the main reasons for breaking self-isolation were to go to the shops (32%), to attend work, school or university (26%) or for medical reasons (21%). Asked about the challenges faced during isolation, 79% of people living with others were unable to keep completely separate from household members, whereas only 32% cited lost income as a challenge.

105. The advice recommended agreeing to a 3-month extension and pushing for improvements on performance of the scheme at the meeting. The advice also included international comparisons in Annex C at my request [RS/7/073/INQ000585093].

106. On 12 August, I received advice on the future of the SSP rebate scheme, with my previous steers having indicated that the scheme should run until September 2021. Officials recommend closing the scheme at the end of September, noting that DWP's modelling did not suggest the scheme would see significant usage if extended and that the real-word impact of ending it would be limited. The advice also recommended enabling backdated claims until 31 December 2021 [RS/7/074/INQ000585094]. On 16 August, after receiving further clarification on the rationale for the claim period to be extended to December, I confirmed that I was content to proceed with the three-month claims window as recommended [RS/7/075/INQ000585095].

107. On 3 September the SoS DHSC wrote to the CDL and I requesting that the TTSP scheme be extended until the end of March 2022, arguing a review had shown that the

scheme continued to encourage testing uptake. The letter also proposed simplifying TTSP to ensure a consistent offer across England [RS/7/076/INQ000203797]. Ahead of an SMG meeting on 6 September, DHSC sent a paper detailing their proposal **[RS/7/077- INQ000596049].** Officials provided a brief to CST which recommended signalling support to extend financial support to March 2022 and noted officials were considering the proposal to simplify the TTSP **[RS/7/078- INQ000596049].** At the meeting it was agreed DHSC and HMT would work together to consider the simplification of self-isolation support. [RS/7/079/INQ000585097]

108. The self-isolation requirement was subsequently reduced to 7 days on 22 December 2021, and to 5 days on 17 January 2022. The £500 payment stayed constant during this period, meaning that eligible fully-vaccinated index cases who were able to exit self- isolation after 5 days could have received £100 per day of self-isolation support.

109. As a result of the Omicron outbreak, officials considered the case for re-introducing the SSP Rebate Scheme to provide financial support for businesses facing higher levels of staff absences and provided advice to me on 17 December [RS/7/080/INQ000585099] [RS/7/081/INQ000585101] and 19 December 2021 [RS/7/082/INQ000585100]. The advice proposed that the reintroduction of the SSP Rebate Scheme under the following parameters to which I agreed to on 20 December.

110. On 11 February 2022, officials provided me with advice recommending that the powers under which the temporary Covid-19 changes to SSP and the SSP Rebate Scheme should be allowed to lapse on 24 March, and the reintroduced SSP Rebate Scheme to close on 17 March 2022 with a 1-week period for employers to put in their last claims. The SSPRS scheme had been open since 19 January to deal with the Omicron outbreak, with employers able to make backdated claims for the period from the date of announcement (21 December 2021) onwards. The advice noted as of 6 February 2022, the scheme has supported 28k employers with SSP costs for 78k employees costing £9.2m in AME [RS/7/083/INQ000585102]. On 15 February 2022, Private Office provided a readout confirming that I was content with the recommendation that the changes to SSP and the SSP Rebate Scheme should lapse on 24 March 2022 [RS/7/084/INQ000585103].

111. On 24 February, the Government removed the legal obligation to self-isolate, as part of the 'Living with Covid' strategy and withdrew the practical and financial support available to individuals for self-isolating (including TTSP and the Covid-19 SSP regime).

112. Data for the TTSP was collected and collated by DHSC and NHS Test and Trace, and later UKHSA. Slides were provided to HMT by DHSC at regular intervals, detailing scheme uptake, limitations, trends, days to process payments and reasons for decline

G. MY ROLE ON KEY DECISIONS RELATED TO BORDER POLICY AND QUARANTINE

113. Between January and March 2020, HMT did not lead on the development or implementation of border measures. Rather, this was led by DHSC, DfT and FCDO, with advice from the CMO. Advice in the initial period was broadly to follow steers from the CMO on changes to travel advice with a focus on whether the proposed measures would be effective in curbing the spread of the virus. This is reflected in HMT briefings and readouts from ministerial meetings from this period. Discussions around travel restrictions and border measures at Cabinet level meetings during this period also reflect the fact that these decisions were primarily informed and led by DHSC, DfT and FCDO, with advice from the CMO. Examples of briefings to myself and CST during this period are exhibited as: [RS/7/085/INQ000232175] [RS/7/086/INQ000232127] [RS/7/087/INQ000585105].

114. On 13 May, my officials provided me with advice relating to quarantine proposals and exemptions to border measures following discussions with the French government **[RS/7/088- INQ000585924].** Final details of the border measures were agreed by Ministers at a MIG on 18 May 2020 [RS/7/89/INQ000116420] [RS/7/90/INQ000116421]. The measures required all passengers (bar some limited exceptions) arriving in the UK to provide their contact details, as well as their flight or train number, port and date of arrival. All travellers at the border would be strongly advised to download and use the NHSX contact tracing app. All arrivals to the UK would be required to self-isolate in suitable accommodation for 14 days. Reviews were planned to take place every 3 weeks. The measures were introduced on 8 June.

115. On 15 October a Covid(O) meeting covered travel corridors [RS/7/91/INQ000585955]. Officials provided advice for CST and advised that the decision on Italy needed further analysis on the likely trend of the epidemiological data, so that a fully evidenced decision could be made ahead of half term. Officials also advised that the Global Travel Taskforce was due to meet that day, with CST planning to attend, and would cover

evidence and engagement around testing and border policy. Officials advised CST that I had expressed an interest in pushing a testing regime forward and flagged in a call with DfT SoS that early November was not soon enough but should be implemented as soon as possible.

116. As the summer progressed HMT remained concerned about the borders strategy. After receiving advice from officials on 22 July 2021 [RS/7/92/INQ000116435], I sent a letter to the PM setting out concerns that our current border policy was not achieving our ambition of opening up international travel in a safe and sustainable way. The approach at that time lacked sufficient flexibility to reflect the emerging science and was out of step with our closest international partners, undermining our international competitiveness. Other European countries including France and Germany were accepting double vaccinated passengers without the need to quarantine, required fewer tests of passengers from at risk countries and had reopened travel from the US. The letter also stressed that our approach to managing variants of concern had fallen out of step with the domestic picture. Variants do not all carry the same risk, and therefore any decisions needed to consider the latest evidence of their potential threat to the UK, and our approach should remain flexible to change as the evidence emerged. As a result of the advice I received, which described the traffic light system and its underpinning methodology as unsustainable and out of step with the improved epidemiological understanding of variants of concerns, I proposed using the 31 July checkpoint to begin agreeing policy changes, with an emphasis on moving from blunt restrictions to a more targeted regime focused on the vaccination status of individual travellers, rather than on individual countries (albeit a time-limited and focused red list was recommended for retention). The letter made recommendations for short-term improvements to the borders regime: supporting the expansion of international certification at pace; supporting changes to the traffic light methodology (for example, differentiating between variants of concerns, creating a feasible route off the Red list, and creating a more stable and easier to reach Green list); and creating improved cross-Whitehall governance of the borders regime to enable wider factors (such as economic impacts) to be incorporated into decision making. **[RS/7/093- INQ000116421].**

117. The emergence of the Omicron variant brought discussions of temporary measures and pushed back the planned review of the border system. Ahead of a Covid(O) on 4 December, I received advice recommending seeking assurances to remove restrictions quickly if concern over Omicron dissipates, and/or once it is clear restrictions are no longer effective and pushing back on further red listings of countries given the

economic, diplomatic and social impacts [RS/7/094- INQ000585109]. The following day I agreed with the recommendations but noted it should be revisited once there is country specific health data available for any specific country decision [RS/7/095- INQ000585110].

118. On 17 January 2022, officials advised me on the department's priorities ahead of the planned January review of border restrictions at the Covid(O) on 24 January [RS/7/096- INQ000116435]. I agreed with the recommendations including continuing to differentiate based on vaccination status and pushing to remove the remaining testing requirements for vaccinated arrivals.

Statement of Truth

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

Signed: Personal Data

Dated: 15 April 2025