



# Anglo-Saxon Language

The government's Chief Commercial Officer during the pandemic continues his evidence. He had used "Anglo-Saxon" language when first told about the planned VIP line. Ministers and their staff were a constant distraction demanding updates and explanations. Did you tell ministers to back off, asks Lady Hallett? Not realistic was the response.

Following media criticism, he had set up three investigations into the potentially most "poisonous" examples to check whether there had been any cronyism.

It does not look as if any was identified at that time.

Our witness challenges earlier evidence. 450 companies came forward under the VIP route and 45 secured contracts. A conversion rate of 10%. Due diligence checks were initially limited to checks on directors not the financial status or track record of the companies involved.

## Ventilators

For ventilators SAGE said that 30,000 would be required. Whilst there was no national inventory the NHS probably had 8000 at most. Procuring more was a global problem as every country needed more.

Some countries had banned exports as they needed all those they produced for their

own citizens. The problem was complicated as the clinicians did not want 'squeeze bags' they wanted more high-end equipment which was safer and more effective. A *ventilator challenge* was launched as a 'call to arms' to British manufacturing.

A special organisation, the *Technical Design Authority* had been created to help and eventually agree suggested design and manufacturing solutions for both PPE and ventilators.

The group included the regulator MHRA. The ventilator challenge produced a large response but was eventually whittled down to three companies to whom five contracts were awarded.

One, an established manufacturer, was based in Sweden who had not imposed an export ban.

Another already produced transport ventilators for ambulances which could be

adapted for hospital use and a third was a new design from a company that manufactured anaesthetic machines.

It was according to our witness an extraordinary experience.

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*Counsel then reviews with our witness, in some detail, the events surrounding the pressure apparently exerted by Sir James Dyson, who had easy access to Ministers.*

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His team had ideas for a new ventilator which he claimed could be delivered quickly in large numbers.

It was, he told ministers, ready to go. Our witness and others were doubtful; 3000 in five weeks from design to delivery would be 'unbelievably brilliant'.

It would need review and safety approval by the Technical Advisory Authority.

No prototype was yet available just a paper design. It looked as if the early design at least had a number of potential faults.

There was a risk that bit of a fan or oil could be injected at speed into a patient's lung and it had no safety alert systems.

Under what was alleged as 'pressure' from Dyson, ministers gave instructions to civil servants to award a contract worth £100,000 to Dyson, contingent of course on MHRA approval, so that the company could begin to prepare for manufacture.

The 'pressure' was so great that Dyson got to present to the Technical Advisory Authority directly.

Ministers were exasperated at the hurdles and delay the procurement process was thought to be creating.

The Prime Minister told civil servants 'It is bollocks, Dyson knows what he is talking about, get on with it...'

A 'blunt' meeting with TAA followed. However, no contract was ever awarded.

Dyson never got the chance to market his planned product world-wide with a UK endorsement.

**The Director General for Community Care in the DH who became responsible within the DH for PPE gave evidence next.**

He confirmed that the reserve stockpile of PPE at the start of

the pandemic was understocked. Plans to quickly top up failed as did Just in Time contracts.

He described what happened when it became clear that the NHS Supply Chain could not deliver.

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*Their procurement team was transferred to a PPE Cell operating within the DH and was supplemented by 450 civil servants from across Whitehall many with commercial experience*

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They worked with a complex eight stage process which included due diligence checks.

They had thousands of offers to help. The IT systems did not cope, and they had to develop a managing process as they worked [usually from home].

After 100 days they had got it sorted.

The DH was very cautious about PPE arriving from overseas from new contractors. They did not want to send inferior goods to the front line.

The total spend on PPE was £13.8b and perhaps 25% could not be used for various reasons...including those judged to be not up to NHS specification.

Those contractors accessing via the VIP line had a shorter

process to go through and in particular missed the first which was an initial triage of their status and viability.

A recommendation from an important source was enough to get the shortened process started.

Then a crucial admission from our witness;

*'The perception that the government had a VIP channel which some suppliers could enter and be processed quickly was extraordinarily dangerous to the reputation of the process. It would have been better if we had not had one.'*

Given the state of the market prepayment had become essential.

Without it competitors would win every time. To do business you 'had to have a different risk appetite...'

There were 40 contracts that did not deliver [21 from the VIP line] and a special resolution team was working to recover the money that had been advanced.

**Next, a number of witnesses who had led the various procurement streams.**

All had worked under extreme pressure.

The VIP route had produced some excellent and credible offers.

Our witness had pressed colleagues to give priority to the VIP lane in order to let it soak up the noise from ministers and MPs.

It worked as a lightning rod for questions and challenges,

he said.

He now admits that this was wrong.

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*The judgement by Justice O'Farrell that the process had been unfair was correct.*

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Another witness is taken through a particular case in some detail.

The bidder had come recommended by others within government including the Department of International Trade.

They promised access to a Chinese factory for a 12 weeks production of masks.

The bid got through the assessment process and a contract worth £252m was awarded and paid up front.

When the masks arrived they were rejected by the NHS who did not accept uncomfortable ear loops.

The company had met the contracted specification, but it had changed!

Another witness with extensive experience of IT procurement had delayed his retirement to handle difficult cases in the VIP lane.

He would handle up to 40 cases at a time in parallel.

Amazon was a credible preferred provider but the volumes they could supply were not huge.

Like colleagues he would not support a VIP lane in a future pandemic.

Another witness explained that the VIP lane dealt mainly with intermediaries who claimed to have access to Chinese manufacturers.

However, the embassy in Beijing was already in touch with many of them. There was a clear danger of different UK sources outbidding each other.

Finally, he argues that peacetime rules about fair and equal competition could not apply in emergency periods.

Lady Hallett told many of the later witnesses that although she might find fault with the system she did not doubt their dedication and commitment.

**Much more to follow.**