Department of Health & Social Care

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Meg Hillier MP
Chair of the Public Accounts Committee
House of Commons
London
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15th January 2021

Dear Chair,

Following the Public Accounts Committee Hearing on 14 December 2020 on PPE procurement and supply, we committed to write to you on a number of points raised during the hearing.

1. **In response to a question from Gareth Bacon, Jonathan Marron agreed to write to the committee on the safety standards of PPE supplies raised by Dr Nagpaul from the BMA. As per Q152**.

The pre-panel and Committee raised the quality and recall of a brand of masks named 'Cadronel', which we have not been able to identify. We believe the product being referred to is the Type IIR Cardinal masks, which were purchased in 2009 as part of the Pandemic Influenza Preparedness Programme stockpile and were deemed safe. These masks were retested in May 2013 by Medline International, who recommended a shelf life extension up to nine years.

In May and June 2020, samples of these masks were sent to independent test houses, where they were assessed again. The items were put through age accelerated processes before retesting against the approved EU standards. This ensured the masks continued to provide protection required by EU standards and were released for use, helping to meet the increasing demand for PPE at the start of the pandemic.

These older Cardinal Type IIR masks were withdrawn from circulation in July 2020 due to a fault with the foam nose banding. This was a precautionary measure and protection from COVID-19 was not affected.

In more general terms, any product concerns are discussed on a weekly basis with the MHRA and any safety issues or major concerns follow a "rapid action Team" and "Decision Making Committee" process. This ensures that investigation into issues raised is undertaken, appropriate action taken, and communication sent to customers relating to the items/incidents.

On the concerns raised by Dr Emily McWhirter, about infestations in PPE batches; we have checked our records, which do not include any report of this incident. Nevertheless, we are following up with the Royal College of Nursing directly to work through the concerns raised. Likewise, the Department has reached out to Dr.Nagpaul to discuss these matters further and collaborate on other areas of shared interest.

2. **In response to a question from Gareth Bacon, Jonathan Marron agreed to write to the committee on the figure of 67 million units of faulty PPE. As per Q153.**

Following investigation, this is not a figure that is recognised by the Department nor is it one we have been about to create from any of the calculations we have made from the numbers we do have. We are able provide the volume of PPE which was recalled and quarantined, which is around 40 million items. Of this, 11 million items were from the PIPP stockpile and 29 million items were from new contracts.

3. **In response to a question from Shaun Bailey, Jonathan Marron agreed to write to the committee with more detail on the certificates for PPE quality standards. As per Q169.**

Any PPE provided must be fit for purpose and meet published safety standards before they can be deployed to the frontline. Our requirements and specifications published on GOV.UK sets out the minimum design, performance and labelling requirements, which includes certification.

In business as usual purchasing, contracts for PPE include clauses to ensure that testing and certification is undertaken before the goods are accepted and evidence of this certification is requested. ‘CE’ marks appear on products which are traded on the single market in the European Economic Area (EEA). This marking shows that the manufacturer has checked that the product meets EU safety, health or environmental requirements; is an indicator of a product’s compliance with EU legislation; allows the free movement of products within the European market. European Standards (EN) is an expression of requirements for products, processes or services to meet the requirement of fitness for a particular purpose.

However, in March, the Department needed to buy from a more diverse range of suppliers in response to the disruptions to the global market. Some of these suppliers were manufacturing PPE for the first time and a significant number had yet to be awarded CE marks. Under the transitional arrangements for leaving the EU, the UK took advantage of regulatory easement measures that the EU made available to Member States to make it easier and more expedient to procure PPE from new suppliers in the disrupted market. The easements allowed for the streamlining of non-CE marked COVID related PPE, provided the PPE met the essential health and safety requirements and was assessed as safe for use in the UK by the Health and Safety Executive (HSE). The procurement and distribution of non-CE marked PPE by the Government and NHS has proved vital in protecting frontline health and care sector workers.

4. **In response to a question from Sarah Olney, Jonathan Marron agreed to write to the committee on the amount paid against the £122 million pound contract. As per Qq172-173**

All products for use in a medical environment must conform to applicable standards by law. This is written into all contracts. All PPE supplied to DHSC is subsequently assessed for quality compliance to the applicable law by the appropriate regulatory body. With regard to your question on the PPE Medpro contract, we have paid for the contract in full, however; we are currently in ongoing discussions with the company, following concerns raised by the MHRA with the product provided.

5. **In response to a question from the Chair, Jonathan Marron agreed to write to the committee regarding information about any contracts that are effectively written off. Q176-178.**

Quality assuring stock for use at the frontline is an integral part of the overall supply process, and we continue to quality assure new products as they are delivered.

Of stock tested so far, the vast majority of PPE which we have ordered has been of high quality and sufficient standard. This has been distributed and used by our frontline health and social care staff. In an eventuality where a product falls short, we are exploring a variety of options to ensure the stock can be utilised – whether use in non-clinical settings, onward sale etc. As a result, the Department does not yet have a conclusive list of contracts that are absolutely "written off" – instead we are continuing to maximise the use of all contracts. We are happy to write to the Committee to follow up once the value of such contracts becomes clear.

6. **In response to a question from Shabana Mahmood, Jonathan Marron agreed to write to the committee on a ballpark figure on the costs the department may be able to recover. As per Q256.**

I refer to my answer above, which explains we are yet to receive, and quality assure all items of PPE that we have on order, so we cannot give a total figure at this time. To date, the Department has cancelled or curtailed contracts up to the value of around £400 million. Cancellation of these contracts has occurred for a multitude of reasons and is not representative of faulty or inadequate PPE.

7. **Shabana Mahmood requested Jonathan Marron write to the committee on the numbers of PPE orders that cannot be used for their original intended purpose. As per Qq252-255**

We can provide a best estimation for the volume of PPE which cannot be used for its original intended purpose. However, these numbers are fluid for all supply chains such as ours for several reasons including; stock still being assessed, stock still to be manufactured, or because they have simply not yet arrived in the UK. We estimate that currently, around 1.3% of the total PPE bought is not fit for the original intended purpose. The Committee are already aware of the figure of 0.49% - which was how much PPE tested to date was not fit for *any* purpose (September/October 2020). Having now tested a greater volume of stock (January 2021), we now estimate that 0.4% is not fit for any purpose.

8. **In response to a question from Dame Cheryl Gillan, Jonathan Marron agreed to write to the committee with a list number of consultancy contracts established, including those that were backdated. As per Q229.**

Between March and November 2020, contracts were awarded through call-offs from existing government frameworks. For consultancy contracts awarded since March 2020 I refer you to Annex 1 of this letter, which includes backdated contracts. At present, of those consultancy contracts awarded, we can confirm that the Deloitte, McKinsey, 4C, Baringa and Effico contracts were backdated.

9. **The Chair and Dame Cheryl Gillan requested that the department share a list (based on price) of where officials declined to purchase PPE. As per Q230.**

The methodology for rejections was based on several categories, for example if the volume was too low, or if offers were no longer required but there is no category specifically stating rejection due to price. We will therefore need to further interrogate the records and IT systems to understand how specifics on pricing information was used in rejection decisions. We are happy to write to the Committee when this process is complete.

10. **In response to a question from Sir Geoffrey Clifton Brown, David Williams agreed to write to the committee on the breach of data control between NHS patients and Faculty and Palantir. As per Q265.**

The NHS COVID-19 Data Store brings together data sources from across the health and care system in England into a single, secure location. It was set up to provide the health and care system in England with real-time information to inform strategic and operational decisions in response to the current pandemic. It brings together data into a single, secure location - providing us with critical evidence to help keep the public safe.

NHS England is committed to protecting patient information. Data held securely in the NHS COVID-19 Data Store is pseudonymised to ensure patient privacy is protected at all times and 'identifiers', information that allows an individual to be distinguished from others, are not accessible (being removed, replaced or obscured) to mitigate against the risk of re-identification. The NHS COVID-19 Data Store does not allow identification of any records and there has been no breach of data control. This approach is endorsed by the Information Commissioner's Office (ICO) as an example of best practice and is in line with the strict requirements of GDPR.

All those working with the NHS are subject to the same strict rules for data protection as the NHS - they do not control the data and are not permitted to use or share it for their own purposes. Any attempt to re-identify an individual is a criminal offence under the Data Protection Act 2018 and action will be taken against any member of staff who attempts to do so. Staff with access to data must have completed comprehensive information governance training and have confidentiality clauses as part of their employment contract.

There are technical controls in place which strictly limit access to data to ensure it is only provided when required for a specific purpose. The monitoring and audit of access to data is also in place and any activity which appears suspicious can be identified and action taken. NHS England is the data controller for data processed by the NHS Data Store. Palantir Technology UK has access to data but cannot use it for its own purposes and can only process it under instruction from NHS England.

Finally, I would like to clarify one point on Treasury delegations as I mentioned a £100 million threshold at the hearing. This was the level at which business cases had to come to me for personal sign off as Accounting Officer. In the case of PPE, cases were not required to go to HMT for approval if we were operating within the overall financial envelope and a range of other conditions set by HMT.

To conclude, the PPE programme has made significant process since the outbreak of the pandemic. Moving from an emergency situation to stable and strategic approach where we are well equipped for the future pressures of COVID – 19, all amidst a challenging global market. The Department will write to the Committee again in due course to fulfil the outstanding commitments of this letter.

Yours sincerely,

DAVID WILLIAMS, CB

Second Permanent Secretary

Annex 1

Consultancies

Deloitte - Project Triangle – programme support for the UK make initiative

- Support to the Reuse Cell

4C - PPE Purchasing Cell Transition Assistance

Mckinsey - Extension (PPE Distribution and Customer Demand modelling)- Dec-Mar

- Modelling and Distribution

- Covid-19 PPE Supply – PPE Make PMO Support

- Covid-19 PPE social care intelligence unit

- Covid-19 PPE Supply – PPE Programme Integration Delivery unit set up and running

- PPE Re-Use Cell– PPE Re-use approach, team structure and program management

- Covid-19 PPE Supply – PPE Make Manufacturing Team

4C/Hatmill/Efficio - Professional Services Consultancy and Supply Chain Support for PPE

Efficio - PMO Support

- Extension - PMO Support

Hatmill - Providing Support to the Move Cell (via SCCL)

Baringa -Support for rapid mobilisation of Covid-19 PPE Buying cell

Arup -Set up the Programme Integration and Delivery Unit (PIDu) structure for the PPE programme under Lord Deighton

Chanzo - support PMO for Buy & Make