Latest UK COVID-19 Inquiry report documents impact of privatisation, wasted resources and cronyism

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The UK COVID-19 Inquiry's fifth report examines how the UK government and devolved administrations procured and distributed personal protective equipment (PPE), ventilators and testing equipment during the pandemic.

Released in July and authored by Baroness Heather Hallett, the report documents cost-cutting in pivotal logistics, £10 billion wasted on inadequate or unused PPE, and millions lost to unpursued fraud. However, the report seeks to redefine the Conservative government's cronyism to pardon the "VIP lane" contracts they set up, before making 11 recommendations for a future emergency.

The report found that Britain entered the pandemic disastrously unprepared, with a PPE stockpile in perilous condition, marked by shortages and expired stock, and no proper plans for procuring and distributing key equipment in an emergency.

"Prior to the Covid-19 pandemic, there was no exercise undertaken for mass testing in the UK," it admits. England's Exercise Alice and Scotland's Exercise Iris were prompted by South Korea's successful handling of the 2015 MERS outbreak, a disease with a fatality rate of over 35 percent. Exercise Alice received neither a briefing report nor any subsequent exercise following its mass testing concerns, while Iris's recommendations for sufficient PPE were disregarded:

"The reality of the UK's lack of planning for mass testing became evident at a meeting in the Department of Health and Social Care on 18 March 2020 chaired by... Lord Bethell. [At the time,] the UK's testing capacity was approximately 2,000 to 3,000 tests per day."

It was agreed that population-level testing would require a rapid increase to 100,000 daily tests. The report states that Chief Commercial Officer Sir Gareth Rhys Williams told the Inquiry that the government "started the pandemic with many fewer [ventilators] than... other countries (on a per capita basis)." NHS trusts began panic-buying and hoarding ventilators, competing with one another and driving up prices. Only by July 2020, "more than 15,000 ventilators" had been obtained and quality-assured.

England's equipment supply, the report explains, relied on "more cost-effective" just-in-time systems. As orders increased, global "supply chains collapsed [and] contractors were unable to deliver the promised supplies."

The inquiry points out that much of the fraud will not be investigated. The Serious Fraud Office has pursued none of its 195 referrals regarding PPE and test kit procurement fraud. It notes that "In December 2024, Tom Hayhoe was appointed by the [Labour government] Treasury as the UK government's Covid Counter Fraud Commissioner," who "endorsed proposals by the Department of Health and Social Care not to pursue [£762 million in likely fraud claims] due to the low prospects of success."

On cronyism, the report states that "the Inquiry has not identified any cronyism or corruption." Instead, procurement teams gave "undue weight to the identity, status and authority" of government officials recommending friends and party donors for preferential treatment.

PPE Medpro, which won £200 million in contracts on referral by company beneficiary and Tory peer Baroness Mone, is not included in the report due to an ongoing criminal investigation. That investigation was the only one undertaken by the Crown Prosecution Service before successive UK governments ended pandemic precautions.

Lord Bethell claims in the report that without the profit motive, "we wouldn't have had PPE." The report concurs: "It was overwhelmingly private manufacturers, distributors and intermediaries, incentivised by profit, that supplied the UK and devolved administrations with large volumes of vital healthcare equipment at short notice."

Hallett concludes that "The effective collaboration between the public and private sectors should serve as an example of how governments should respond to future pandemics."

She notes that "Between 1 December 2020 and 28 February 2021, 82% of demand for PPE was met by UK manufacturers," and praises "appealing to and harnessing the innovation, expertise and willingness of...domestic life sciences and manufacturing sectors." The "best defence against profiteering and exploitation in future," she concludes, is "systems and... technology... able to provide information about the market."

This is said even as Hallett documents the damaging consequences of austerity and the privatisation of the National Health Service (NHS). The proposed solution is yet more privatisation.

The 82 percent figure was achieved with public funds. What Hallett calls "appealing to and harnessing" private industry was a desperate attempt to remedy the dearth of public infrastructure and

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resources amid growing death rates and wildcat strikes. By December 1, 2020, COVID-related excess deaths had topped 70,000.

As the WSWS reported at the time, the first year of the pandemic was characterised by an orgy of profiteering in which "the richest 250 people on the [*Sunday Times'* UK] Rich List increased their wealth by 16.3 percent, up to £658.1 billion...[while t]hree million more people have started claiming Universal Credit welfare payments." We explained that, by invoking a "national consensus" and voting to support and renew the Coronavirus Act's emergency exemptions on contracts, Labour was no less culpable than the ruling Conservatives.

A case study in Hallett's "effective collaboration" is Globus Shetland, majority-owned by Haraldur Agustsson, a member of an elite dining society that grants access to influential Tory politicians for donations. Within weeks of being fast-tracked into a £93 million contract, the company was operating a PPE manufacturing plant in Dumfriesshire. A multi-million-pound public-private initiative produced another manufacturing plant, but as public health measures were abandoned, so too were workers: jobs were shed and the plant closed.

£2.74 million worth of Globus Shetland's PPE was considered unfit for NHS use, but state-owned enterprise Supply Chain Coordination Ltd has refused to disclose the reason, invoking a commercial interest exemption in the Freedom of Information Act. Cruelly, although many masks produced in these Scottish factories met filtration standards for airborne pathogens such as COVID-19, Scotland's healthcare manuals left staff vulnerable by instructing them to wear standard blue surgical masks designed only to prevent droplet spread.

The finding of no cronyism implicitly shifts the blame onto procurement teams. Former Conservative health minister Lord Bethell came under judicial review over his involvement in unrecorded meetings with soon-to-be suppliers and in fast-tracking companies such as Abingdon Health into multi-million-pound contracts.

During this period, Bethell's personal adviser was a former *Sun* political editor and healthcare lobbyist for Abingdon Health who regularly attended confidential governmental meetings. The Serious Fraud Office's inaction is part of the same pattern. While the working class suffer invasive surveillance to fight "benefits fraud," those suspected of defrauding the public purse of £762 million are let off because of "low prospects of success."

The origins of the testing failure lie in austerity. In March 2025, Lord Bethell told the Inquiry's Module 5 (procurement) public hearing that Public Health England (PHE) "didn't... have any local or regional aspect to their test and trace capability."

Between 2013 and 2020, the government cut PHE's budget by 40 percent, leaving it with just 290 contract tracers for the whole of England. By mid-March 2020, the Johnson government was aware Britain had no capabilities for mass testing. On March 19, knowing population-level testing would be impossible for some time, it downgraded COVID-19 from high-consequence infectious disease (HCID) status, based partially on "the availability of a specific and sensitive laboratory test for the virus".

Neither explanation nor accountability is attached to the Chief Commercial Officer's admission about ventilators. Austerity had led to inadequate civil infrastructure for quality assurance, leading to the purchase of dangerous equipment. By July 2020, after 65,000 excess deaths, resources were found to obtain and quality-assure the 15,000 ventilators.

NHS England, an "independent" body created to disguise a growing internal market of private providers, does not itself buy, inventory or manage England's healthcare equipment. It outsources these functions to its own company, Supply Chain Coordination, created under a £20 million contract with consultancy Ernst & Young. Rather than adequate precautions, the company relied on just-in-time systems notoriously vulnerable to supply chain disruptions and, predictably, when it increased orders, supply chains collapsed. As if business consultants had never been involved, Hallett proposes them as a solution to capitalist market chaos, with her "best defence against profiteering and exploitation" amounting to outsourced systems and technology.

The Inquiry's report attempts to conceal the devastating consequences of decades of austerity and the looting of public health services as pardonable administrative failures. Labour is peeling away remaining public services and now conducts large-scale privatisation openly. When former Prime Minister Keir Starmer announced his planned destruction of NHS England, Lord Bethell's response was: "I wish we'd [the Conservatives] had the guts to do this!" Scottish First Minister John Swinney is taking similar action, slashing 20,000 jobs and £1 billion from public services, including healthcare.

One in four UK healthcare workers who caught COVID-19 have since developed Long COVID. The jobs, rights and living conditions of health and social care workers can only be defended by organising independently of the trade union bureaucracy that collaborated with the Tory government and Labour opposition in ensuring millions of workers were sent back into factories, offices and schools at the height of the pandemic.

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