



BEHIND THE MASKS

CORRUPTION RED FLAGS IN COVID-19 PUBLIC PROCUREMENT

**A comprehensive assessment of corruption risks during the
pandemic with recommendations to better protect the public purse**

INTRODUCTION

The COVID-19 pandemic required an unprecedented public health response, compelling UK authorities to act with unparalleled speed. In the hurry, many standard procurement safeguards, such as competition and due diligence, were skipped to expedite the process.

Behind the Masks is the most comprehensive analysis to date of public procurement and contracts issued during the COVID-19 pandemic. By analysing publicly available data on over 5,000 UK contracts, alongside official reports, litigation in the courts, and public interest journalism, **we identified 135 high-risk contracts worth £15.3 billion.** These contracts, which represent nearly one in every three pounds spent, raise serious concerns and warrant further investigation by relevant authorities.

Our research attributes these failings **to the widespread and often unjustifiable suspension of procurement checks and safeguards, costing billions to the public purse, and eroding trust in political institutions.**

As the UK prepares itself for future crises, which are increasingly likely to occur within our lifetimes, this report provides valuable insights to help further investigations into what went wrong, as well as into mistakes that were made during the COVID-19 response. The UK government should urgently act on the lessons learnt to prevent further harm.

MAIN FINDINGS

In total, we found **135 high-risk COVID-19 contracts totalling £15.3 billion** with three or more corruption red flags. These awards merit further investigation. For example:

- **Political connections:** at least 28 contracts worth **£4.1 billion** went to those with known political connections to the party of government in Westminster. This amounts to almost one in ten pounds spent on the pandemic response and includes 15 contracts worth £1.7 billion that went through the 'VIP lane'.
- **VIP Lane for PPE:** 51 contracts worth a total of **£4 billion** went through the unlawful 'VIP lane', of which 24 contracts worth £1.7 billion were referred by politicians from the party of government at the time or their offices.
- **New inexperienced suppliers:** eight contracts worth a total of **£500 million** went to suppliers no more than 100 days old.
- **Uncompetitive procurement:** the UK government awarded over **£30.7 billion** in high-value contracts lacking competition – equivalent to almost **two-thirds** of all COVID-19 contracts by value.

This is not just counter to good practice, the UK's approach to COVID-19 procurement led to a significant amount of waste. This is still being counted and warrants further analysis, but includes:

- **£14.9 billion** – written-off by the Department for Health and Social Care over a two-year period. This represents more than the total spend on COVID-19 PPE.
- **£1 billion** – spent on PPE from 25 VIP lane suppliers that was later deemed unfit for use, according to Spotlight on Corruption.
- **£925 million** – wasted in inflated prices for PPE bought through the VIP Lane, which on average was 80% higher than suppliers engaged through other routes, according to the Good Law Project.



EXECUTIVE SUMMARY

The unprecedented nature of the COVID-19 pandemic required a quick response to save as many lives as possible. In response, the UK government rushed into procurement contracts with private suppliers to deliver protective equipment, testing and vaccines. But amid this crisis, standard checks on suppliers were often skipped. These checks are intended to prevent corruption - the abuse of entrusted power for private gain - and ensure that contracts secure the right goods and services from trustworthy suppliers for the right price.

Of the £1 trillion of contracts signed in the three years from February 2020, government data shows that £48.1 billion was spent in relation to the COVID-19 pandemic. Building on our 2021 [Track and Trace](#) report which provided an initial assessment of problematic procurement practices during the pandemic, we analysed over 5,000 contracts involving over 400 public bodies and **identified key issues** in the UK's pandemic response with billions of pounds of potentially mismanaged public contracts.

These include:

- **Poor accounting of public expenditure:** Although the UK has laws requiring government to make procurement processes available for public scrutiny, our research found that the published data was inconsistent, inaccurate, late, or at times missing entirely. For instance, there were 141 high-value contracts collectively worth £5 billion that were published more than one year after their award – long after the 30-day legal deadline. In contrast, on average it took Ukraine less than one day to publish information on over 100,000 COVID-19 contracts at the peak of the crisis
- **High-risk contracts:** Our research identified 135 contracts, worth over £15.3 billion which have three or more corruption red flags. These red flags include awarding contracts without competition, delaying or not releasing information on procurement, or giving a contract to a supplier that is connected to someone with influence over the process. Our research found that a serious strategic flaw in the UK's approach to securing goods and services was its unhealthy and persistent reliance on uncompetitive procurement. A year into the crisis, UK contracting authorities were still heavily making contract awards without competition – unlike countries in the EU, which quickly reverted to competitive bidding.
- **Lack of preparedness for COVID-like emergencies:** Underlying much of what went wrong was the UK's lack of preparedness for health emergencies. Urgent demand and scarce supplies were used to justify expedited, corruption-prone processes. Better preparation would have mitigated these risks and shortcuts. This should have included a pre-existing emergency procurement framework with pre-qualified suppliers and clear guidance for contracting authorities under emergency procedures.



COVID-19 procurement has become synonymous with corruption, damaging the UK's reputation as a beacon of good governance, costing the taxpayer tens of billions of pounds and putting lives at risk. This has made painstakingly clear that the current safeguards against impropriety in public office need strengthening.

SUMMARY OF RECOMMENDATIONS:

RECOMMENDATION

PURSUE: Those entrusted with protecting the public purse, including the proposed COVID-19 Corruption Commissioner, should **investigate the 135 high-risk contracts** we identify in this report, worth a total of £15.3 billion.

RECOMMENDATION

PROGRESS: The UK Government should progress its open contracting ambitions, **deploying technology** to streamline buying goods and services, while improving financial accountability.

- Reduce the contract publication threshold to £2 million, mandating disclosure before activation of the contract, and monitoring publication to allow better public scrutiny.
- Implement stronger parliamentary oversight through the introduction of a sunset clause on emergency procurement powers and restricting direct awards exclusively to those addressing the immediate crisis.
- Introduce data quality checks and apply unique identifiers across all procurement platforms to improve quality and consistency, allow efficient analysis of the data and enhance transparency of public spending.

RECOMMENDATION

PROTECT: Governments should protect lives and the public purse by **strengthening institutional safeguards** against impropriety, providing greater openness about attempts to secure public contracts and more robust measures to hold to account those engaging in misconduct.

- Ensure the regulatory bodies overseeing ministerial conduct are truly independent and have the ability to initiate investigations and propose sanctions.
- Introduce a new statutory offence of corruption in public office as recommended by the Law Commission's review of the ineffective misconduct in public office offence.
- Improve transparency over lobbying through enhanced departmental disclosures and a comprehensive lobbying register to enable public scrutiny of those trying to influence the award of public contracts.

“The scale of money lost to the taxpayer is staggering. I am deeply concerned that 135 high-risk Covid contracts have been identified totalling £15.3 billion of taxpayers money. Amid a cost-of-living crisis, it is simply unacceptable that so much money could have been lost to cronyism and human error. Public money must be accountable. This starts with better systems of open governance to track public contracts, and stronger safeguards to avoid waste.”

– Joe Powell MP, Chair, APPG on Anti-Corruption & Responsible Tax

Read the full report here

