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# The Tories' 'chumocracy' over Covid contracts is destroying public trust

**Sophie Hill**



📷 Lord Bethell and Dido Harding, Parliament Square, 17 September 2020: 'As the junior health minister Lord Bethell recently told the House of Lords, the government relied on "informal arrangements" to fulfil urgent needs for PPE.' Photograph: Justin Tallis/AFP/Getty Images

**U**nder the cover of an emergency, the government awarded **£18bn in coronavirus-related contracts** during the first six months of the pandemic, most with no competitive tendering processes. Meanwhile **contracts totalling £1.5bn** have gone to companies with connections to the Conservative party. Call it a “chumocracy” or straightforward incompetence: it’s clear there’s been a woeful lack of transparency when it comes to how taxpayers’ money is spent.

The more information we have about these contracts, the more complicated it becomes to piece them all together. As the junior health minister Lord Bethell recently told the House of Lords, the government relied on “**informal arrangements**” to fulfil urgent needs for PPE. One such informal arrangement was a phone call in April between Lord Bethell and Meller Designs, a company owned by a prominent Conservative party donor who has given more than £63,000 to the party. The company, which usually sells home and fashion accessories to retailers such as Marks & Spencer, was later awarded PPE contracts worth £163m.

This is by no means the only Covid contract with a whiff of cronyism about it. But it can be difficult to grasp the significance of these contracts unless you step back to see the bigger picture. As a political scientist with a

background in maths, my first instinct was to start building a dataset. After all, even the most complex networks can be distilled to a list of nodes and the connections between them. A few lines of code are all that's needed to bring that dataset to life, like a hi-tech version of the evidence board in *Line of Duty*. The result is an interactive graph that, tongue-in-cheek, I've named *My Little Crony*.

With this visualisation, we can explore a whole web of connections at once. Take, for example, Lord Feldman, a wealthy donor and former chair of the Conservative party who was elevated to the House of Lords by his old Oxford chum, David Cameron. Feldman began serving as an [unpaid adviser](#) to the Department of Health in March, and in that capacity attended meetings with a firm called Oxford Nanopore, which has been awarded government contracts for Covid testing. Shortly after Feldman left his role in government, his PR firm, Tulchan Communications, had taken on Oxford Nanopore as a paying client.

If we zig-zag in another direction we find [George Pascoe-Watson](#), another Department of Health adviser who worked with Lord Bethell. Pascoe-Watson is the director of the lobbying firm Portland Communications, whose clients include [Boston Consulting Group](#), which has won several large government contracts during the pandemic.

But are these links evidence of corrupt behaviour, or do they have a more benign explanation? Cronyism, after all, is what happens when friends and associates benefit from being close to one another. It flourishes when there's a lack of transparency. The chief *intention* of ministers may not have been to hand out contracts to companies with links to their party, or to appoint their friends in senior advisory roles. Indeed, emergency Covid-19 regulations do allow the government to ditch usual competitive tendering practices. Is it possible that Tory-connected firms were winning contracts not due to cronyism, but simply because government officials had better access to information about these firms?

A recent report by the [National Audit Office](#) suggests not. The report confirmed the existence of a "high-priority lane" for suppliers referred by senior politicians and officials, and found that companies with a political referral were 10 times more likely to end up winning a government contract than those without. The government's rationale for this two-tier system was that companies referred by politicians had been "pre-sifted" and were therefore more credible. While it's understandable that the government would want to streamline procurement during an emergency, this system

flouts the most basic anti-corruption principles. Politically connected firms are supposed to receive *more* scrutiny, not less.

The government's reasoning about "credible" supplies is especially hard to swallow given that many large PPE contracts were awarded to firms with seemingly no obvious experience in that sector. Contracts were handed out to companies including a pest control business and a confectionary wholesaler. It would be tempting to root for this plucky band of misfits were it not for the fact that many companies with [actual expertise in PPE](#) offered help to the government during the early stage of the pandemic.

Meanwhile, the government continues to fail even the most basic test of transparency: publishing the details of contracts awarded in a timely manner. In its investigation, the National Audit Office found that only one in four contracts awarded up to July were published within 90 days.

And in the scramble to acquire ventilators and face masks, ministers seem to have forgotten about another scarce commodity: trust. Unlike PPE, trust cannot be outsourced. It must be actively maintained through transparency and accountability. Data from YouGov show that the government's approval rating on the issue of Covid has more than halved, falling from 72% in March to just [32% in October](#).

It's remarkable that the government has managed to squander so much goodwill so quickly - all while paying huge sums to PR firms to work on their messaging strategy. Successfully containing the virus and eventually rolling out a vaccine will both depend on people trusting that politicians are acting in their best interests. Yet you'd be forgiven for thinking the government had treated this crisis as an opportunity to award valuable contracts to its friends.

A simple first step would be to publish contracts in a timely manner and properly document the procurement process. As more information about these contracts enters the public domain, calls for a full public inquiry will only become louder. The government might hope that a successful vaccine will deflect attention from this scandal. But with the chancellor, Rishi Sunak, already floating the possibility of tax hikes and a [public sector pay freeze](#) to reduce the deficit, people will soon have a pressing interest in finding out exactly who has been profiting from this pandemic.

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