



Rt Hon Michael Gove MP
Chancellor of the Duchy of Lancaster
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Meg Hillier MP
Chair of the Public Accounts Committee
House of Commons
London SW1A 0AA

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It is normal practice, when a government department proposes to undertake a contingent liability in excess of £3m for which there is no specific statutory authority, for the Minister concerned to present a departmental Minute to Parliament, giving particulars of the liability created and explaining the circumstances and to refrain from incurring the liability until fourteen parliamentary sitting days after the issue of the Minute, except in cases of special urgency.

In this time of crisis for the country, there is a clear and urgent need to scale up the production and supply of essential medical equipment to the National Health Service, in order to save lives.

I am writing to ask you, therefore, to note two contingent liabilities that flow from this work to increase the production of ventilators.

The first is to indemnify the third-party Intellectual Property Rights for the designers of these Rapidly Manufactured Ventilator Systems (RVMSs) and for the contract manufacturers of RMVSs. The second is to indemnify the product liability for the designers of the RMVSs and for the contract manufacturers of RMVSs. Both cases are driven by the unprecedented speed of the development of these medical devices. The indemnities are essential for the emergency provision of ventilators, procured at pace.

Additionally, the reason I have not been able, on this occasion, to provide the normal fourteen sitting days' notice is because commercial negotiations have only just concluded and contract signature did not allow for further delay. As the contents of this agreement are commercially sensitive – and will continue to be until negotiations have been finalised – I am writing to you directly under the non-standard notification process outlined in Managing Public Money, and as directed by the Treasury Officer of Accounts.

The Treasury has approved the proposal in principle. While the challenging circumstances have not allowed me to meet the contract signature timetable in this case, we have prepared a Written Ministerial Statement that I will lay when Parliament reconvenes.

I would also like to assure you of our commitment to keeping Parliament informed of the Government's response to Coronavirus, as well as key contractors and other stakeholders.

The Cabinet Office has, for example, published its instructions for all contracting authorities on how to undertake urgent procurement as mitigation against the Coronavirus. It has also published its instructions to authorities on accelerating the payment of invoices, to support cash flow in the supply chain and protect jobs.

For the benefit of Parliament, the Cabinet Office puts out a bespoke daily briefing to Members of Parliament via the Parliament intranet: so far, the briefing has responded to over 160 questions raised by MPs during the regular daily telephone calls hosted by the Paymaster General.

The Cabinet Office also hosts and updates fifteen themed factsheets relating to Coronavirus, comprising advice and guidance from across Whitehall departments. MPs are able to download these from the Parliament intranet and replicate them on their individual websites.

I am, as ever, happy to address any comments or issues you may wish to raise.

With every good wish,

A handwritten signature in blue ink, appearing to read 'Mrs. Gove', followed by a long horizontal flourish.

Rt Hon Michael Gove MP
Chancellor of the Duchy of Lancaster