

CST speech at the European House Ambrosetti's virtual spring forum

Good morning everyone.

It's great to have the chance to speak again at an Ambrosetti event, in this most important year for Anglo-Italian partnership, through our respective presidencies of the G7 and G20 and jointly host the COP26 conference.

As Chief Secretary I have responsibility for public expenditure across the UK government.

Finance ministries are often seen within their own governments as risk averse, urging caution and restraint when their colleagues wish to try new, unproven ideas.

Yet covid has shown that we can deliver our services very differently. We needed to take more risk in the pandemic to unlock benefits at pace. And indeed, the absence of failure, often reflects a lack of openness to change, which in itself can be a less visible but greater failure.

It is clear as we look to tackle climate change that we cannot spend our way to net zero. Instead we will need to embrace risk in our approach to regulation, particularly where that tests our political will in terms of the cost to our electorate. And indeed the lessons of covid, and indeed the necessity if we are to recover more quickly from the pandemic, is that we need to embrace more risk, not less. That applies equally if we are to meet the challenge of climate change, which requires governments to also move at a greater pace.

Global Britain & CX G7 Statement

In focusing on risk, some of you may reflect back to the last time I addressed this audience, as the UK's Brexit Secretary. And our exit from the EU was seen by some as carrying the risk of a more inward looking UK. Yet recent policy announcements demonstrate our firm intention is the very opposite – to be more outward looking as part of a more global Britain. For example, recent announcements include our:

- new visa scheme for tech firms that we want to recruit the best talent from abroad, and to make immigration easier for our business community
- we've set up A new Office of Investment to attract the foreign financial support that will help us tackle the big issues of the day
- our commitment to significantly increase R&D investment reflects the Prime Minister's commitment to becoming a science superpower

- and our announcement just yesterday of our second sovereign Sukuk, and our reforms to our Listing Rules, as part of ensuring the UK's financial centre remains forward looking

Our commitment to attracting talent, funding innovation and investment in long term ideas, reflected from policy initiatives such as the new advanced Research & Invention Agency which will fund "high-risk, high-reward" scientific research, reinforces our commitment both to working closely with our European neighbours and also to promote a much more Global Britain.

And central to this ambition is the G7 and COP26.

G7 and COP26

As my colleague, the Chancellor of the Exchequer, set out earlier this week in his event with Minister Franco, our clear objective for the G7 is to put the world on a path towards achieving the goals of the Paris Agreement.

For COP26, this means asking countries to strengthen their carbon reduction targets – consistent with limiting global warming to 1.5 degrees Celsius.

We're also urging countries to set 2030 emissions targets that will put us on a course to reaching that goal. And asking them to increase their commitments to international climate finance to help address the needs of developing countries.

I'm sure we all recognise that we won't achieve these goals by sticking to the same old strategies.

We need to do things differently.

This means adopting new ways of thinking. And I believe central to that it means recalibrating our appetite for risk.

Covid 19 and Climate Change

In meeting the climate change challenge of net zero, risk comes in a number of forms.

Scaling up at pace existing technology, such as in our housing sector, carries both delivery risk for the government but also cost challenges given the post-Covid fiscal position.

Alongside this, the scale of the challenge requires funding for often unproven technologies, including investment in areas such as Carbon Capture and Storage, which we hope will capture the equivalent of 4 million cars' worth of annual emissions, and will play a huge part in helping our key industries make their transition to net zero, but there is much more work that remains to be done to deliver this capability.

Further risk involves how we best align our Government's investment and regulatory decisions, with the essential need to harness private sector

investment in order to meet our carbon budgets.

Doing so also requires that we leverage this green investment to address the social risk of those communities who feel left behind, reflected in the productivity gap within the UK – and we are not alone on that.

Just as the challenge of climate change is one that we share, so is the need to address imbalances within our countries regarding the productivity of different regions if we are to better ensure that the opportunity is as equally distributed alongside the talent. As such, one of the key opportunities of net zero is to ensure that our investment in green technologies better delivers for those areas which have historically not received sufficient inward investment. This has included the UK making changes to our Green Book, the Treasury mechanism by which funding decisions are evaluated. It has involved embracing new policy areas – such as our redesigned offer on freeports to attract inward investment in green jobs in areas linked to ports which that in the past have felt left behind.

And this investment needs to work in harness with the aim of building clusters of green sector expertise in those more deprived regions as reflected in the recent announcements on offshore wind capacity where the UK ambition is to quadruple current installed capacity – already the highest in the world.

Data

In taking a conscious decision as a Finance Ministry to be more open to embracing risk, we equally recognise it requires improvements to the quality of data on which we set our delivery outcomes, how we track the trajectory of that delivery, and crucially our ability to act more quickly should that delivery fail to be realised.

As such, operationally within the Treasury we have sought to challenge what skill sets we need amongst our own officials, in particular embracing new teams of data analysts and computer engineers to enable us to interrogate data both quicker and at a more localised local. We have also encouraged departments to focus more on their legacy IT, and encouraged funding for projects which break down the inter department silos particularly on data sharing.

As such, a conscious decision to accept new approaches and the risks inherent in this needs to be balanced with strengthened capabilities to better inform those decisions. This will become increasingly important as we migrate from those schemes brought forward on public spending, to those on regulation with more visible costs to consumers.

In facing this shared challenge, the public risk appetite is not always what we as politicians expect. For example, when the Prime Minister took the decision to bring forward to 2030 the phasing out of petrol and diesel cars, the political expectation was that this might provoke a strong public and business reaction. In fact both the business community and the public responded very favourably.

That does not negate the requirement to then deliver the infrastructure, including recharging of electric vehicles to facilitate this, but it illustrates the opportunity to harness private investment when the regulatory framework sets expectations effectively.

I want to end by looking forward to November when we will welcome the world to the COP26 conference in Glasgow, to deliver what is needed to meet the climate challenge. This conference will require those in positions of leadership to embrace more risk. Both in the schemes they fund directly and in the regulation that unlocks wider investment.

But the far greater risk would be if those leaders were to remain cautious, and miss the opportunity of Glasgow.

Covid has shown that governments can deliver at a scale and speed which, at more conventional times, would not have been viewed as possible.

We need to apply these lessons from covid as we tackle climate change. Within the UK, our role as a finance ministry is increasingly to help departments to embrace calculated risk, informed by strengthened data analysis and followed by speedier intervention where remediation is required. This includes challenging the conventional caution which has been a characterisation in the past both of finance ministries specifically and governments as a whole.

But in doing so it opens up a more nuanced role for us within the Treasury. Accepting more risk will include some failure, it also unlocks greater potential gains to quicker deadlines. Both the economic recovery from Covid, and meeting the challenge on climate change, requires our Treasury to embrace new ways of working and new data on which to base that work. In turn, this will better enable us to meet the challenges and requirements of our time.

Thanks very much for listening.

Appointment of Permanent Secretary to the Ministry of Defence.

Press release

The Cabinet Secretary, with the approval of the Prime Minister, has announced the appointment of David Williams as the new Permanent Secretary to the Ministry of Defence (MOD).



The Cabinet Secretary, with the approval of the Prime Minister, has announced the appointment of David Williams as the new Permanent Secretary to the Ministry of Defence (MOD). David will be replacing Sir Stephen Lovegrove who has been appointed National Security Adviser.

David will take up his post on 6 April 2021. Shona Dunn will be appointed as Second Permanent Secretary at the Department for Health and Social Care (DHSC), moving to take over the role that David leaves.

The Secretary of State for Defence, Ben Wallace MP said:

I'm pleased to welcome David Williams back to the Ministry of Defence as the new Permanent Secretary. David brings a wealth of experience from across Government and rejoins the department at an exciting time. Following last year's record multi-year settlement, and this week's publication of the Defence Command Paper, there is much to do to fulfil the ambitious goals we have set for ourselves. I'm confident David will lead the department to achieve those ambitions.

I'd also like to thank Sir Stephen Lovegrove again for his hard work and dedication over nearly five years and look forward to continuing to work with him as the National Security Adviser.

The Cabinet Secretary, Simon Case, said:

David's appointment is great news for the Ministry of Defence. David brings to the role a wealth of leadership experience from his time at DHSC along with a deep understanding of the MOD from his previous roles in the department.

I would like to thank Stephen Lovegrove for his leadership of the department for the last five years and look forward to working closely with him in his new role as National Security Adviser.

I would also like to congratulate Shona on her appointment as Second Permanent Secretary at the Department of Health of Social

Care.

I am really pleased to be returning to the Ministry of Defence, where I started my civil service career, reconnecting with old friends and making new ones. With the publication of the Integrated Review and this week's Defence Command Paper, there is lots to do and I am looking forward to working with the Defence Secretary, the Ministerial team and the fantastic people at MOD – military and civilian alike – to take forward the Government's plans.

Notes for Editors

- David is currently Second Permanent Secretary at the Department for Health and Social Care and has spent six years in the organisation. His previous role was as Director General, Finance and Operations where he was responsible for DHSC and NHS finance, strategy and system oversight.
- From 2012 – 2015 David was Director General, Finance at the MOD where his portfolio covered defence planning and programming, financial management and investment proposals and accountability frameworks.

Published 26 March 2021

[New study finds strong immune response following COVID-19 vaccination](#)

- 237 healthcare workers tested for antibody and T cell responses, as part of the largest and most in-depth study on the immune response following COVID-19 vaccination
- First findings from DHSC-funded PITCH study shows one dose of the Pfizer vaccine generates robust T cell and antibody responses in 99% of people
- Study shows people who have previously had COVID-19 generate stronger T cell and antibody responses following one dose of the Pfizer vaccine

A new study led by Sheffield and Oxford Universities with support from the UK Coronavirus Immunology Consortium has found that 99% of people generate a robust immune response against COVID-19 after just one dose of the Pfizer vaccine.

The Protective Immunity from T cells to COVID-19 in health workers study (PITCH) examined how the immune system responds to COVID-19 after one dose of the Pfizer vaccine among people who have been infected by COVID-19 before and those who have not.

It suggests one dose of the vaccine protects against severe disease, supporting the decision to delay the second dose and provide protection to as many higher-risk groups as possible by providing more first doses. The study showed after 2 doses levels of protection were even stronger, underlining the importance of people coming forward for their second dose.

Between 9 December 2020 and 9 February 2021, researchers from the Universities of Sheffield, Oxford, Liverpool, Newcastle and Birmingham analysed blood samples from 237 healthcare workers to understand their T cell and antibody responses following vaccination from the Pfizer vaccine.

The study also sheds light on the impact of previous infection from COVID-19 on people's immune response to vaccination. It found people who had previously been infected with COVID-19 showed higher T cell and antibody responses after one dose of the Pfizer vaccine compared with people who had never had COVID-19 before and had one dose of the vaccine.

The researchers discovered that among people who had had COVID-19 in the past, the T cell response expanded after vaccination to recognise more regions of the COVID-19 spike protein – which attacks the immune system and causes severe disease. This means, even in those already infected, vaccination from the Pfizer jab provides better protection and an enhanced immune response to COVID-19 than the immune response from natural infection.

It is not yet known how long T cell and antibody response lasts following infection. The first dose of both the Pfizer and AstraZeneca vaccine offer good levels of protection, but to get maximum protection it is vital everyone gets a second dose when invited as 2 doses of the vaccine will provide longer-lasting protection from the virus.

Health and Social Care Secretary Matt Hancock said:

The PITCH study presents further proof that vaccines provide excellent protection against the virus. Thanks to the incredible efforts of our vaccination programme, over half of all adults in the UK have had the jab, and we remain on track to offer all adults a vaccine by the end of July.

A second vaccine jab is crucial for longer-term protection, regardless of whether you have previously had COVID-19 or not, and I urge everyone to make sure they attend their second appointment – to keep themselves and those around them safe.

Health Minister Lord Bethell said:

These findings from the PITCH study are crucial to increasing our understanding of the immune response to COVID-19 and how the Pfizer vaccine is working to protect people across the UK already.

I urge everyone to come forward to be vaccinated when invited and

to take up both doses of the vaccine as both are vital to ensuring long-term protection from COVID-19.

Key findings from the PITCH study

- Among individuals who had not had COVID-19 in the past and had received 2 doses of the Pfizer vaccine, T cell response was as strong as people who had had previous COVID-19 infection and one vaccine dose.
- After one dose of the Pfizer vaccine, individuals who had previous COVID-19 infection showed higher antibody and T cell responses compared with people who had not been infected before. Antibody responses were 6.8 times higher and T cell responses 5.9 times higher.
- Among individuals who had not had COVID-19 in the past and had received one dose of the Pfizer vaccine, antibody and T cell responses were at a similar or higher level compared to those who had previously been infected but not been vaccinated.
- There was a 10-fold greater spike-specific T cell responses following vaccination in people with previous infection compared to those who had no prior infection.
- There was no link between age and levels of T cell/antibody response.

An effective vaccine is one that that saves lives and reduces hospitalisations. Both the Pfizer and Oxford-AstraZeneca vaccines have been shown to be highly effective in reducing COVID-19 infections among older people aged 70 years, according to previously published research carried out by Public Health England. In the over 80s, data suggest that a single dose of either vaccine is more than 80% effective at preventing hospitalisation, around 3 to 4 weeks after the jab.

Further research will continue to deepen our understanding of the immune responses over the longer term and what it means for protection against COVID-19 in the real world.

Even after vaccination everyone must continue to follow the rules – remembering Hands, Face, Space – as it may still be possible to pass the virus on to others after having the jab.

Dr Thushan de Silva, study author from the University of Sheffield, said:

Our study is one of the largest and most comprehensive accounts of the immune response to one dose of Pfizer/BioNTech vaccine

comparing previously infected and infection-naïve individuals. Our results demonstrate that T cell and antibody responses induced by natural infection are boosted significantly by a single dose of vaccine. While the response to a single dose was lower in infection-naïve individuals, it was still equivalent or better than the immunity in previously infected individuals before it is boosted by vaccination.

Professor Susanna Dunachie, PITCH study lead from the University of Oxford, said:

Our study highlights the importance of studying both aspects of immune protection when trying to understand the underlying mechanisms of the immune response to COVID-19 vaccination. Interestingly, we also found that vaccination improves the breadth of T cell responses generated in previously infected individuals. In immunology, this is a good thing as it means that you are more likely to maintain protection against new mutations of the virus, and further work will assess how long these vaccine responses last. It's still important that everyone follows NHS guidelines to get 2 doses of the vaccine, even if you think you may have previously had COVID-19.

The PITCH study has been a great opportunity to work collaboratively across 5 university hospitals and with Public Health England to look at T cell responses to SARS-CoV-2 at greater scale and depth than a single research centre can. By building on the national SIREN Study and putting our heads together, we are contributing towards illuminating the role of T cells in protection against COVID-19 from vaccines and previous infection.

Professor Paul Klenerman, PITCH study lead from the University of Oxford, said:

T cells are an important component of immunity to viruses – but typically much harder to measure than antibodies. To set this up at scale across the UK in the midst of a pandemic was a big challenge but the very clear data found by PITCH show just how informative this approach can be.

Background information

[See the pre-print report on T cell and antibody responses available on the Lancet website](#)

This study formed part of the [PITCH Study \(Protective Immunity from T-cells in Healthcare workers\)](#), which was funded by the UK's Department of Health and

Social Care. A contribution was also made from the [UK Coronavirus Immunology Consortium](#) (funded by UK Research and Innovation and the National Institute for Health Research).

Of the 237 healthcare workers, 113 had previously been infected with COVID-19 compared to 124 healthcare workers who had not. For those who had not previously had COVID-19, 103 were given one dose of the vaccine and 21 were given 2 doses, with a gap of 23 days between doses. The researchers took blood samples from participants prior to and 28 days after vaccination to measure various aspects of the immune response, including antibodies and T cells.

A range of analyses were used to examine aspects of the T cell response including the magnitude of response and the response to different proteins from SARS-CoV-2. Carrying out these T cell analyses is much more complex than antibody studies and difficult to undertake at scale – but this study is the largest and most in depth in the world to date in this field.

References

- Polack et al. Safety and efficacy of the BNT162b2 mRNA Covid-19 Vaccine. New England Journal of Medicine 2020; 383(27): 2603-15.
- Hall et al. Do antibody positive healthcare workers have lower SARS-CoV-2 infection rates than antibody negative healthcare workers? Large multi-centre prospective cohort study (the SIREN study), England: June to November 2020. medRxiv 2021: 2021.01.13.21249642.

[Government increases support for those self-isolating](#)

- Improved support includes a free medicines delivery service backed by an extra £3.2 million per month, new practical support funding and enhancements to Test and Trace Support Payment Scheme
- New ONS survey reveals nearly 90% of people are self-isolating when asked to

To help people overcome the practical challenges of being asked to self-isolate, government has today (Friday 26 March) announced an extra £12.9 million a month in additional funding to local councils to help them provide people with more support.

This new funding will help local authorities continue to support those who

are isolating as we begin to cautiously ease restrictions, going towards food deliveries, help with caring responsibilities and support for people's wellbeing.

On top of this, £3.2 million per month has been allocated to a free medicines delivery service for people who are self-isolating and don't have access to help in collecting their prescription. Community pharmacies and dispensing doctors are already funded to provide a medicines delivery service in instances where shielding advice is in place, and this system is being replicated to cover people who need to self-isolate.

This investment comes on top of increased funding of £20 million per month for local authorities, which covers the cost of discretionary support payments through the Test and Trace Support Payment scheme (TTSP) for people on lower incomes, or facing financial hardship, who cannot work from home.

The TTSP scheme has also recently been expanded to cover parents or guardians who are unable to work because they are caring for a child who is self-isolating. To date, the government has provided more than £176 million of funding to local authorities to meet the costs of the scheme. This will allow local authorities to continue supporting those on low incomes to stay at home and self-isolate when required to do so.

The announcement comes as a new set of statistics published by the Office of National Statistics (ONS) show that 86% of people testing positive for coronavirus are fully complying with self-isolation guidance for their full isolation period.

Data showed 90% of the contacts reached by NHS Test and Trace are fully adhering with the rules, and 97% of NHS COVID-19 app users started to self-isolate within 24 hours of receiving a notification.

Health and Social Care Secretary Matt Hancock said:

I am delighted that today's statistics show the vast majority of people in this country are doing the right thing and following the rules to help protect the NHS, and save lives.

The government has increased funding for local authorities by over £30 million a month to give financial and practical support to those who have to self-isolate, helping them to avoid spreading the disease to their communities.

Around one in three have the virus without symptoms, so it is vital those who are asked to self-isolate by NHS Test and Trace do so to turn the table on this terrible virus.

The statistics demonstrate that the majority of respondents also fully understood the self-isolation guidance. Of people who did not fully-comply, the most common breaches were to buy food, collect medicines or to attend medical appointments, which today's funding will help Local Authorities to

address.

Executive Chair of NHS Test and Trace, Baroness Harding said:

It's extremely encouraging to see that 86% of people testing positive for Covid-19 and 90% of contacts are fully complying with the self-isolation guidance, which is imperative to the success of NHS Test and Trace as we are reaching more people than ever before. The increased support is important to offer additional reassurance to people to come forward for testing and keep breaking the chains of transmission.

Local councils have a fundamental role to play in tackling outbreaks and we are supporting them by giving people the tools they need to stay at home.

It is vital that there are strong local, regional and national partnerships to support people to understand and comply with the guidance and regulations in place that protect their health and save lives.

Background information

See [Coronavirus and self-isolation after testing positive in England: 1 February to 13 February 2021](#).

- This survey was specifically designed to obtain information on people who have tested positive for COVID-19 and who are at the end of their 10-day self-isolation period.
- Estimates presented in this release are based on the 2,552 responses received and are not representative of the population testing positive for COVID-19 on the day of being sampled. Respondents were randomly sampled through the Contact Tracing and Advice Service (CTAS) database, held by NHS Test and Trace. This list was created by NHS Test and Trace to record information about people who have tested positive for COVID-19 and their contacts.
- The statistics presented are experimental statistics, so care needs to be taken when interpreting them. While the sample was stratified to be regionally representative of the population being sampled, people who did not respond to the survey may have been less adherent than those who did, leading to bias in the results. This has an impact on the level of certainty of this research.
- Future waves of the survey will provide statistics that are weighted to be representative of the population testing positive in the month prior to the survey.

Further background

- Funding unveiled today was set out in the roadmap.
- It is a legal duty to self-isolate if you have been instructed to do so

by NHS Test and Trace. Any breaches of self-isolation may result in a Fixed Penalty Notice, ranging from £1000 to £10,000.

- We are working with England's 314 local authorities to monitor the effectiveness of the Test and Trace Support Payment scheme – including any impact on groups who may be ineligible for it.
- In conjunction with the Test and Trace Support Payment scheme, local authorities can make additional discretionary payments to anyone facing financial hardship. Local authorities are responsible for the criteria used for discretionary payments in their area.
- Local authorities set the eligibility criteria for their schemes and over four million people could be eligible for the Test and Trace Support Payment, which is a targeted scheme to help people on low incomes who cannot work from home, if they are required to self-isolate when they test positive or are identified as a contact.
- To be eligible under the expansion to a parent or guardian, applicants must need to take time off work to care for a child who is self-isolating. They do not need to have been told to self-isolate by NHS Test and Trace, but they must meet all the other eligibility criteria for a Test and Trace Support Payment or discretionary payment.
- More details are available on who is [eligible for the Test and Trace Support Payment scheme](#).
- If an individual is eligible for either the Test and Trace Support Payment or discretionary payment, they will receive the £500 payment as an up-front lump sum on top of any benefits and Statutory Sick Pay that they are currently eligible for.
- When the scheme launched, the government made an initial £50 million available to local authorities to cover the cost of administering the scheme. This included £15 million for discretionary payments to people who fall outside the scope of the main scheme but who will still face hardship if they have to self-isolate. To date, we have released a total of £176 million to local authorities to enable them to continue administering the scheme. This includes £75 million for discretionary payments.
- The Test and Trace Support Payment scheme is for England only. There are equivalent schemes in place in Scotland, Wales and Northern Ireland and we are working closely with the devolved administrations to share learning and monitor the impact of the financial support that is available.
- We need all employers to act responsibly to help their employees work from home wherever possible, and where it isn't to ensure workplaces are COVID-secure. We are also rolling out rapid-testing helping workers who need to leave home for work during lockdown to continue to do so, while quickly identifying those who may be carrying the virus to stop the spread.
- The Contain Outbreak Management Fund (COMF) provides funding to local authorities (LAs) in England to be used for test, trace and contain activity in order to reduce the spread of coronavirus in their area.
- This funding, worth over £225 million per month during the National Lockdown, can be used by English local authorities to fund local coronavirus response public health activities, such as additional contact tracing, testing for hard-to-reach groups, non-financial support

for those self-isolating and public health communications.

[The Prime Minister has reappointed James Timpson as a Trustee of the Tate](#)

News story

James Timpson has been reappointed by the Prime Minister as Trustee of the Tate for a four year period from 1 March 2021 to 28 February 2025.



James Timpson OBE DL is Chief Executive of Timpson Ltd, a retail business with over 2000 shops. James is also Chair of The Prison Reform Trust, and Chair of Tate Enterprises Limited. His passion and enthusiasm for business, and people was recognized in the Queen's Birthday Honours List in 2011 where he was presented with an OBE for 'Services to Training and Employment for Disadvantaged People'. The following year he was appointed the David Goldman Visiting Professor of Innovation for 2012/13, at the Newcastle University Business School helping to inspire and motivate budding entrepreneurs, business leaders and students alike. He was appointed the HRH Prince of Wales Ambassador for responsible business in the North West in 2015.

This role is not remunerated. This reappointment has been made in accordance with the [Cabinet Office's Governance Code on Public Appointments](#), the process is regulated by the Commissioner for Public Appointments. The Government's Governance Code requires that any significant political activity undertaken by an appointee in the last five years is declared. This is defined as holding office, public speaking, making a recordable donation or candidature for election. James Timpson has not declared any activity.

Published 26 March 2021