

Angela Rayner MP
Deputy Leader and Chair of the Labour Party
Southside
105 Victoria Street,
London, SW1E 5QT

BY EMAIL

11 February 2021

Dear Ms Rayner,

I refer to your letter dated 9th February 2021 to the Secretary of State for Health and Social Care Matt Hancock, and published on Twitter.

In that letter, you make certain allegations against Mr Hancock (and by implication, the Government) which involve me personally and the Institute of Economic Affairs (IEA), the think tank which I chair.

These allegations are false, and in this letter I will set out the accurate information in relation to your allegations.

I met Mr Hancock prior to his becoming an MP, indeed prior to any intention that I was aware of that he intended a political career. When he was elected in 2010, a colleague called me to ask whether I would help support Mr Hancock's office, so as to allow him extra research resources. I agreed to make an annual payment; I was already a donor to the Conservative party, and prior and subsequently I have made a significant number of donations to individual MPs or Conservative candidates. I think it is important to note that I made these donations out of my own (taxed) income, and did not refer them to the IEA, or inform the IEA, since this activity on my behalf was and is unrelated to my association with the IEA.

In due course, Mr Hancock was promoted to Government positions, and in July 2018, he was appointed Secretary of State for Health and Social Care. I called Mr Hancock to congratulate him, but also to inform him of a potential conflict of interest. I was then (and still am) Chairman and a leading shareholder of a small tech start-up (Circular Wave Ltd), whose idea is to streamline the handling of NHS locum workers with an 'App' that would do away with costly form-filling, and eventually allow NHS Trusts to run their own Staff Banks and not have to use expensive agency staff. I had been mentoring the founders prior to this, and the business was meeting NHS Trust staff to try to persuade them to try their new product. Mr Hancock and I agreed that it was vital for both of us to avoid any hint of a conflict. In view of this, and to ensure that the Secretary of

State was not embroiled in the future in just the kind of false allegations that you have now made, I agreed to cease any further donations.

So Mr Hancock's last donation from me was November 2017; hence there is no connection of any kind between me and Mr Hancock in his role as Secretary of State for Health and Social Care. He and I have never discussed the NHS, and he does not know any views I might have on it.

Further, in your letter, you say (and I quote) "It is therefore deeply concerning that our country's Health Secretary is so closely linked to, and has been bankrolled by, an organisation which criticises our NHS and is committed to its dismantling, abolition and replacement with a privatised healthcare system."

You state that the IEA 'bankrolled' the Health Secretary. This is completely untrue – not only did the IEA not bankroll the Health Secretary, the IEA did not even know that I had made donations to Mr Hancock prior to his becoming the Health Secretary. Furthermore, the IEA is an educational charity, and as such would never contemplate, and indeed is forbidden from, 'bankrolling' a Government minister.

You refer in your letter to Kristian Niemietz's IEA-published paper "Viral Myths". Two important points to make: firstly - this is a careful piece of research, in which the author goes to great lengths to study and report on international comparative performance of many healthcare systems. He neither gives the NHS any particular preference, but nor does he do anything other than observe and report on its performance on several public and testable metrics. This is exactly the role of a think tank, and the report is interesting and educational.

Secondly, to conflate this report with either "the IEA", or with me personally, is a mistake. The IEA publishes many reports by many different authors. Many of these reports contradict each other, and many IEA authors disagree with each other. As Chair of Trustees my role is not to opine in any way on the content or analysis contained in these reports (that is the job of our Academic and Research Director, and ultimately of our Director General). My role is to oversee the strategic direction of the Institute; to supervise its finances, and to assist the Director General and the Trustee Board in major decisions.

My personal views on the NHS are not on public record, although you imply that I wish to 'dismantle and abolish' it. My family is deeply embedded in the NHS; two of my immediate family are NHS Doctors (one just retired after a lifetime's service to the NHS). I chair a start-up that supplies the NHS.

I make donations to a wide variety of causes, and give my time voluntarily to a number of charitable and educational activities and think tanks. My donations to Mr Hancock form a tiny proportion of my overall giving, and it does the Labour Party (a party of which I was formerly an enthusiastic member) no credit to make these false allegations in an attempt to score political points. I am also a private citizen. Most of us have no interest in political squabbling, and it is wrong of you to involve me in your political battles.

If you were to publicly apologise, that would go some way to acknowledging that this time you, and the Labour Party, have got it wrong.

I am copying this letter to the Secretary of State for Health and Social Care, to the Charity Commission, and to the Director General of the IEA. I have given permission to the IEA to make the letter public.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Neil Record", with a short horizontal line extending from the end of the signature.

Neil Record
Chair, Institute of Economic Affairs