

Scottish Information Commissioner

Appeal: Paul Hutcheon Sunday Herald

OSIC Ref: 201100423 tie Ref: PH200111-160211F

Document No 1

Dear Paul

Thankyou for your very helpful points. I imagine that you will be interested to know that as a result of your questions, we have reviewed some of our own processes which have been in place for a number of years, so this was helpful for us.

In particular we have reviewed again the difference between consultants who have been employed to fulfil a task (for example, working on a database or recruiting a member of staff) as opposed to those who although technically consultants, were fulfilling a role (for example with the nominal title of Director). For clarity, we believe that these people should now be regarded in the same way as employees precisely because they were fulfilling a role.

The title of Director has also been reviewed internally – in the past there have been a number of consultants who have held this title although confusingly not all of these have sat on the Executive Team . So we also wanted to clarify this.

Finally there were instances where an individual had been an employee at one point and had then been a consultant or vice versa. There were occasions when this happened, and again in answering your FOI question this was not as straightforward as it first appeared. (for example, if I may give you this example - Graham Bissett, who you particularly asked about did not receive any bonus while he was employed as a Director but this was not immediately apparent from our previous systems). We have now amended this procedures.

In short Paul, there has been quite a lot of checking to do on this and we feel that we have now answered your questions very fully. Indeed we may have given you more information than you had anticipated, but we are adamant that we will not be an organisation that holds back information unless absolutely essential for commercial reasons. In the interests of transparency we have also sent a copy of this reply to the Information Commissioner as well as updating the public information on our website.

Question 1 – number –

Question 2 – number

Finally Paul, we apologise for taking longer than we had intended with this. As we said to you in our note on the delay, we have had two extraordinary weeks event wise within the organisation and this has taken up a lot of executive team time, particularly David Mackay's departure. We are grateful to you however in encouraging us to review our processes.

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Document No 2

Dear Paul

Thankyou for your very helpful questions.

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In particular we have reviewed again the difference between consultants who have been employed to fulfil a task (for example, working on a database or recruiting a member of staff) as opposed to those who although technically consultants, were fulfilling a role (for example with the nominal title of Director). For clarity, we believe that these people should now be regarded in the same way as employees precisely because they were fulfilling a role.

The title of Director has also been reviewed internally – in the past there have been a number of consultants who have held this title although confusingly not all of these have sat on the Executive Team . So we also wanted to clarify this.

Finally there were instances where an individual had been an employee at one point and had then been a consultant or vice versa. There were occasions when this happened, and again in answering your FOI question this was not as straightforward as it first appeared. (for example, if I may give you this example - Graham Bissett, who you particularly asked about did not receive any bonus while he was employed as a Director but this was not immediately apparent from our previous systems). We have now amended this procedures.

In short Paul, there has been quite a lot of checking to do on this and we feel that we have now answered your questions very fully. Indeed we may have given you more information than you had anticipated, but we are adamant that we will not be an organisation that holds back information unless absolutely essential for commercial reasons. In the interests of transparency we have also sent a copy of this reply to the information Commissioner as well as updating the public information on our website.

Question 1 – number –

210910-221010 –

a) List all consultants and bonuses paid against individuals

Matthew Crosse	4/8/08	£30,550		Director
Jim McEwan	16/9/07	£20,000		Director
	18/1/08	£17,286		Director
	16/4/08	£53,000		Director
Andrew Fitchie	17/7/08	£50,000		Director(?)
Alastair Richards	18/6/08	£25,000		Director
Geoff Gilbert	20/11/08	£23,500		Director
Bob Dawson	14/6/08	£18,500		Procurement Manager
David Powell	23/7/08	£11,200		Project Manager

b)

Break down the Board and Executive team expenses by category

(taxis/flights/parking/mileage/trains)

2009/2010 SUMMARY

Board Directors	Expenses – Travel			Expenses – Other Total
	Taxis Mileage	Flights Trains	Parking	
R Jeffrey	722.05		108.75	
D Mackay (appointed 23/04/09)	16.00	120.34		1,971.39
B Cox	149.10			
K Hogg	1,780.80	26.20		915.07
N Scales			82.00	
P Strachan	364.00	341.70		40.00
Cllr R Henderson (resigned 2/9/08)		1,639.99		
Cllr A Jackson				
Cllr G Mackenzie				
Cllr I Perry (appointed 2/9/08)				
Cllr P Wheeler				
Total	871.15 2,160.80	1,639.99 488.24	190.75	2,926.46

Executive Team Directors				
Steven Bell	21.85			
Susan Clark	20.80			188.00
Stewart McGarrity				
Colin McLauchlan	6.00	174.80		75.74
Alastair Richards	148.00			
Mandy Haeburn-Little	120.90			505.23
	432.99			
	424.35			269.40
	121.90		102.33	
	18.70			3,941.23
				1,427.69
Total	730.74 0.00	174.80 584.75	102.33	6,407.29

b) Provide a breakdown of "other expenses"

Needs inserted – can be done this afternoon

Question 2 – number 270910- 281010

Summarised as please provide the full list of consultants.

See explanation in opening second paragraph plus the full list of bonuses paid to them as detailed in the table on page 2.

Summary

Finally Paul, we apologise for taking longer than we had intended with this. As we said to you in our note on the delay, we have had two extraordinary weeks event wise within the organisation and this has taken up a lot of executive team time, particularly David Mackay's departure. We are grateful to you however in encouraging us to review our processes.

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Document No 3

*This was a repeat of the email attachment
included in Document 2.*

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Document No 4

Dear Paul

Thankyou for your very helpful questions.

I imagine that you will be interested to know that as a result of your questions, we have reviewed some of our own processes which have been in place for a number of years, so this was helpful for us.

In particular we have reviewed again the difference between consultants who have been employed to undertake a task (for example, working on a database or recruiting a member of staff) as opposed to those who although technically consultants, were fulfilling a role (for example with the nominal title of Director). For clarity, we believe that these people should now be regarded in the same way as employees precisely because they were fulfilling a role.

In the past You have already raised two FOIs, one on the list of consultants costs? (Mike is that right) and the other on legal costs. You have both of these.

You have also asked about consultants who did not appear on this list and we have reviewed this on the basis of the paragraph above. Whilst we were clear about this distinction internally, we fully accept that this may not have been comprehensible externally and we apologise for that.

We have attached the full list of all those that this applies to for the years you request and the bonuses paid to them individually. Where we employed a consultant's services in the years requested, we contracted with the consultancy company and not an individual. This is a crucial point. So the question as to whether they were paid individual bonuses is a mute one, with the exception of possibly Alastair Richards. (this needs checked).

The bonuses paid were paid to the companies themselves. How they managed those bonuses internally was a matter for the company itself.

We have provided a breakdown on the bonuses paid as you requested by company. (Someone needs to add these names – I don't know it)

Finally we should also add there were instances where an individual had been an employee at one point and had then been a consultant or vice versa. There were occasions when this happened, and again in answering your FOI question this was not as straightforward as it first appeared. (for example, if I may give you this example - Graham Bissett, who you particularly asked about did not receive any bonus while he was employed as a Director but this was not immediately apparent from our previous systems). This in itself may answer one of your questions . We have now amended this procedures.

In short Paul, there has been quite a lot of checking to do on this and we feel that we have now answered your questions very fully. Indeed we may have given you more information than you had anticipated, but we are adamant that we will not be an organisation that holds back information unless absolutely essential for commercial reasons. In the interests of transparency we have also sent a copy of this reply to the information Commissioner as well as updating the public information on our website.

Question 1 – number –

210910-221010 –

a) List all consultants and bonuses paid against individuals

Matthew Crosse	4/8/08	£30,550	Interchange company for all of these names – I don't know them)	
Jim McEwan	16/9/07	£20,000		
	18/1/08	£17,286		
	16/4/08	£53,000		
Andrew Fitchie	17/7/08	£50,000		
Alastair Richards	18/6/08	£25,000		
Geoff Gilbert	20/11/08	£23,500		
Bob Dawson	14/6/08	£18,500		
David Powell	23/7/08	£11,200		

Break down the Board and Executive team expenses by category

(taxis/flights/parking/mileage/trains)

2009/2010 SUMMARY

Board Directors	Expenses – Travel			Expenses – Other Total
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D Mackay (appointed 23/04/09)	16.00	120.34		1,971.39
B Cox	1,780.80	26.20		915.07
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N Scales			82.00	
P Strachan	364.00	341.70		40.00
Cllr R Henderson (resigned 2/9/08)		1,639.99		
Cllr A Jackson				
Cllr G Mackenzie				
Cllr I Perry (appointed 2/9/08)				
Cllr P Wheeler				
Total	871.15	1,639.99	190.75	2,926.46
	2,160.80	488.24		

Executive Team Directors				
Steven Bell	21.85			
Susan Clark	20.80			188.00
Stewart McGarrity				
Colin McLauchlan	6.00	174.80		75.74
Alastair Richards	148.00			
Mandy Haeburn-Little	120.90			505.23
	432.99			
	424.35			269.40
	121.90		102.33	
	18.70			3,941.23
				1,427.69
Total	730.74	174.80	102.33	6,407.29
	0.00	584.75		

b) Provide a breakdown of "other expenses"

Needs inserted – can be done this afternoon - pending Stuart Lockhart info – not receipts

Question 2 – number 270910- 281010

Summarised as please provide the full list of consultants.

See explanation in opening second paragraph plus the full list of bonuses paid to them as detailed in the table on page 2.

Summary

Finally Paul, we apologise for taking longer than we had intended with this. As we said to you in our note on the delay, we have had two extraordinary weeks event wise within the organisation and this has taken up a lot of executive team time, particularly David Mackay's departure. We are grateful to you however in encouraging us to review our processes.

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Document No 5

Mike Connelly

From: Mandy Haeburn-Little
Sent: 09 November 2010 16:27
To: Stewart McGarrity; Richard Jeffrey; Mike Connelly
Cc: Stuart Lockhart; Gregor Roberts; Claire Malecki
Subject: RE: here you go

No need for apology stewart thankyou. i dont understand why different info is in the ether. i used gb as an example but we do not need to include him this was to try to explain something i am not sure i understand.

mike can you amend the second draft as per stewart for us to look at tomorrow

Thanks
mandy

Sent from my HTC

Scottish Information Commissioner

Appeal: Paul Hutcheon Sunday Herald

OSIC Ref: 201100423 tie Ref: PH200111-160211F

Document No 6

From: Stewart McGarrity <Stewart.McGarrity@tie.ltd.uk>
Sent: 09 November 2010 4:17 PM
To: Mandy Haeburn-Little <Mandy.Haeburn-Little@tie.ltd.uk>; Richard Jeffrey <Richard.Jeffrey@tie.ltd.uk>; Mike Connelly <Mike.Connelly@tie.ltd.uk>
Cc: Stuart Lockhart <Stuart.Lockhart@tie.ltd.uk>; Gregor Roberts <Gregor.Roberts@tie.ltd.uk>; Claire Malecki <Claire.Malecki@tie.ltd.uk>
Subject: FW: here you go

Everybody,

Sorry -- I know we don't need fretting about this (and I have subsequently received another update on the draft from Mandy which I'll look at just shortly).

Mandy's note says "Graham Bissett, who you particularly asked about did not receive any bonus while he was employed as a Director but this was not immediately apparent from our previous systems".

In actual fact Graeme did receive a bonus for the 15 mths ended 31/3/08. Graeme was on payroll as a "Director" and part of the "Execs" from 1/7/06 to 5/12/08. His service Company Realzzare Ltd received consultancy fees both before the period of his employment on payroll and afterwards. However I believe the amount received re 15m to March 08 is the only Bonus he was ever paid in any capacity.

Graeme did get an award for the ye 31/3/09 -- one of the of the 4 members of the Executive Team (along with Steven, Susan and myself) who elected not to be paid any element of our Bonus awards of £41k in aggregate until the tram reached OFRS.

Attached to this email is my previous laboriously prepared email analysis of 11/6/09 on staff bonus of prepared for a Shirley Anne Somerville FOISA request handled by Caroline Weintz. This in itself had to rescue an apparently inconsistency in a previous FOISA answer during [REDACTED] tenure when [REDACTED] I also attach for the records (and private and confidential of course) the actual spreadsheet from which you can follow through to all the individual amounts. The spreadsheet was used by Gregor to compile our first reply to Paul Hutcheon submitted by Lynn McMath on 5th Aug 2010 -- also attached.

Sorry,
Stewart

Stewart McGarrity
Finance Director
Edinburgh Trams

Scottish Information Commissioner

Appeal: Paul Hutcheon Sunday Herald

OSIC Ref: 201100423 tie Ref: PH200111-160211F

Document 6 continued

These documents were part of the original email from Stewart McGarrity but not released or supplied to the OSIC.

It is our view that these are relevant to the case and we are therefore happy for them to be released.

Paul Hutcheon – Sunday Herald

Ref: PH/300610-310710

1. How much, broken down by every financial year since 06/07, have all staff been paid in bonuses/performance-related pay/non-consolidated payments?

2. How much, broken down by every financial year since 06/07, have the directors/chief executive been paid in bonuses/performance-related pay/non-consolidated payments?

Please see the attached sheet which provides a breakdown of all bonus payments, etc. This attached sheet contains all the relevant information for both the above requests.

Paul Hutcheon – Sunday Herald
 Ref: PH/300610-310710

1. How much, broken down by every financial year since 06/07, have all staff been paid in bonuses/performance-related pay/non-consolidated payments?
2. How much, broken down by every financial year since 06/07, have the directors/chief executive been paid in bonuses/performance-related pay/non-consolidated payments?

tie Limited Staff Bonus's since 06/07

	<u>Yr Dec 06</u>		<u>15m Mar 08</u>		<u>Year to 31/3/09</u>		<u>Year to 31/3/10</u>	
	No	Award 000s	No	Award 000s	No	Award 000s	No	Award 000s
All Employee Bonus's	<u>53</u>	<u>£237</u>	<u>79</u>	<u>£716</u>	<u>79</u>	<u>£201</u>	Note	<u>0</u> <u>Zero</u>
"Executive Team" included in totals above	<u>9</u>	<u>£108</u>	<u>6</u>	<u>£268</u>	<u>5</u>	<u>£84</u>	Note	<u>0</u> <u>Zero</u>
Attributable to Other Projects (eg EARL)		<u>£101</u>		<u>£29</u>		-		
Attributable to Tram Project		<u>£136</u>		<u>£687</u>		<u>£201</u>		
Total		<u>£237</u>		<u>£716</u>		<u>£201</u>		

Note : Of this total £41k in aggregate has been awarded to 4 Executive Team members who have elected not to receive any element of these bonus's until such time as the existing phase of the tram project comes into revenue earning service. An element of the awards to certain other employees, in aggregate £16k, will similarly not be paid until the commencement of revenue services under the terms of their employment.

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OSIC Ref: 201100423 tie Ref: PH200111-160211F

Document No 7

Dear Paul

Thank you for your very helpful questions.

I imagine you will be interested to know that as a result of your questions, we have reviewed some of our own processes which have been in place for a number of years, so this was helpful for us.

Previously, when dealing with requests regarding consultants we have regarded some consultants as employees as they were fulfilling a specific role within the organisation. We have reviewed our internal procedure for this classification and, for the purposes of your FOI requests, we will now class consultants as those who are not directly employed by us. For your benefit, and as part of the review of your request [Mike, insert relevant ref re 5th August response], we enclose as part of this response an updated list of consultants with fees paid from the year 2007/08 onwards.

Where we employed a consultant's services in the years requested, we contracted with the company and not an individual. This is a crucial point. So the question as to whether they were paid individual bonuses is a moot one, with the exception of possibly Alastair Richards. The bonuses paid were paid to the companies themselves. How they managed those bonuses internally was a matter for the company. We have provided a breakdown on the bonuses paid to each company, as you requested.

Finally we should also add there were instances where an individual had been an employee at one point and had then been a consultant or vice versa. There were occasions when this happened, and again in answering your FOI question this was not as straightforward as it first appeared. For example, if I may give you this example - Graham Bissett, who you particularly asked about did not receive any bonus while he was employed as a Director but this was not immediately apparent from our previous systems.

In short Paul, there has been quite a lot of checking to do on this and we feel that we have now answered your questions. Indeed we may have given you more information than you had anticipated, but we are adamant that we will not be an organisation that holds back information unless absolutely essential for commercial reasons. In the interests of transparency we have also sent a copy of this reply to the Information Commissioner as well as updating the public information on our website.

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210910-221010 –

a) List all consultants and bonuses paid against individuals

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	18/1/08	£17,286	Racreb
	16/4/08	£53,000	Racreb
Andrew Fitchie	17/7/08	£50,000	DLA Piper
Alastair Richards	18/6/08	£25,000	
Geoff Gilbert	20/11/08	£23,500	GGA
Bob Dawson	14/6/08	£18,500	Accumetic
David Powell	23/7/08	£11,200	Link

Break down the Board and Executive team expenses by category

(taxis/flights/parking/mileage/trains)

2009/2010 SUMMARY

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Cllr A Jackson				
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Cllr I Perry (appointed 2/9/08)				
Cllr P Wheeler				
Total	871.15	1,639.99	190.75	2,926.46
	2,160.80	488.24		

Executive Team Directors		
Steven Bell	21.85	

Susan Clark	20.80			188.00
Stewart McGarrity				
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	424.35			269.40
	121.90		102.33	
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Total	730.74	174.80	102.33	6,407.29
	0.00	584.75		

b) Provide a breakdown of "other expenses"

Needs inserted – can be done this afternoon - pending Stuart Lockhart info – not receipts

Question 2 – number 270910- 281010

Summarised as please provide the full list of consultants.

See explanation in opening second paragraph plus the full list of bonuses paid to them as detailed in the table on page 2.

Summary

Finally Paul, we apologise for taking longer than we had intended with this. As we said to you in our note on the delay, we have had two extraordinary weeks event wise within the organisation and this has taken up a lot of executive team time, particularly David Mackay's departure. We are grateful to you however in encouraging us to review our processes.

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Document No 8

Mike Connelly

From: Gregor Roberts
Sent: 10 November 2010 16:28
To: Mike Connelly; Stewart McGarrity
Cc: Mandy Haeburn-Little; Richard Jeffrey
Subject: RE: Paul Hutcheon

Mike,
This looks like a good, comprehensive answer.

[REDACTED]
[REDACTED] Is it possible to indicate that this is a new information provision FOISA process rather than an old tie process which we have had "for a number of years"?

I imagine you will be interested to know that as a result of your questions, we have reviewed some of our own processes which have been in place for a number of years, so this was helpful for us.

One other item to note: we have provided a note of Alastair Richards £3941.23 expenses without any explanation in the box beside it.

Finally, do we intend on contacting each of the individuals mentioned in the written element of this FOI request before we provide to PH?

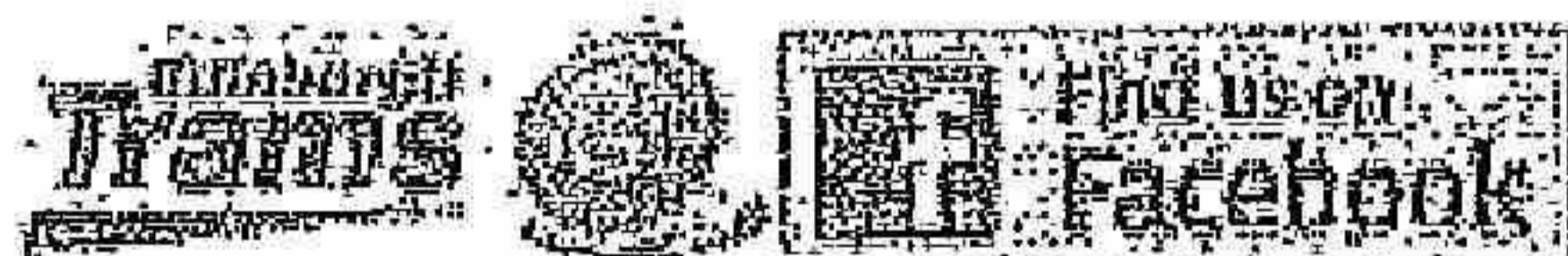
Regards,
Gregor

Gregor Roberts
Finance Director

Edinburgh Trams
Citypoint
65 Haymarket Terrace
Edinburgh
EH12 5HD

Tel: [REDACTED]
Mobile: [REDACTED]
Email: gregor.roberts@tie.ltd.uk

Find us online (click below):



Moving the capital to a greener future

Scottish Information Commissioner

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Document No 9

Mike Connelly

From: Stewart McGarrity
Sent: 10 November 2010 16:40
To: Gregor Roberts; Mike Connelly
Cc: Mandy Haeburn-Little; Richard Jeffrey
Subject: RE: Paul Hutcheon

Just a quick add to Gregors comments:

I presume we've considered my point in my email of last night about Al Richards - was he a Consultant to the TEL/tie/ETL family when the amount was paid or an employee. [REDACTED]

I'd like Gregor to have a reconciliation of the list of "consultancy costs" I sent last night totting up to £24.8m (Hamish gave me the original) to whats in the spreadsheet attached to your draft letter so he has a record of what's been excluded and why (I can understand a lot of them) and why some of the numbers are different.

If both these points have been dealt with already then ignore me.

S

Scottish Information Commissioner

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Document No 15

Mike Connelly

From: Moffat, Hazel [Hazel.Moffat@dlapiper.com]
Sent: 16 November 2010 09:35
To: Mike Connelly
Subject: Re: FOISA - Paul Hutcheon PH210910-221010 - Expenses and Bonus Payments

Mike

Can you drop me a line to let me know when this info will be released (eg just before it is)? Just so we know

Many thanks

Hazel

Hazel Moffat

Partner

Public Law

Litigation and Regulatory Group

DLA Piper Scotland LLP

T: [REDACTED]

M: [REDACTED]

F: +44 (0) 131 242 5505

Scottish Information Commissioner

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Document No 18

Mike Connelly

From: Mike Connelly
Sent: 18 November 2010 10:29
To: 'ROBERT DAWSON'
Cc: Mike Connelly
Subject: RE: Freedom of Information Request on Edinburgh Tram Project

Hi Bob,

For your information as part of a wider request for consultancy fees and any bonuses/performance related payments made to consultants I'm afraid that we will have to make publicly available the information concerning fees and bonuses/performance related payments from the periods from 2007 paid to consultants.

This, therefore, includes fees and bonuses/performance related payments to yourself.

The information that we intend to provide is as below:

Acumetic				
Consulting Fees	2007/08	2008/09	2009/10	2010/11
	£126,427	£13,200	NIL	NIL
Bonus/Performance Related Payments		£18,500		

Any questions let me know.

Mike

Mike Connelly
Head of Public Affairs

tie limited

Find out more about Edinburgh Trams online (click below):



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Document No 20

Mike Connelly

From: Sarah Armstrong
Sent: 26 November 2010 16:51
To: UK DL TIE Edinburgh; UK DL CEC Citypoint
Subject: Internal Communication - FOI Request On Expenses

Internal Communication

On behalf of Mandy Haeburn-Little:

Dear all,

I wanted to make you aware that today we have completed an FOI request on all our expenses and costs for the last three years. This was sent to Paul Hutcheon at the Sunday Herald and despite the fact that we have put considerable context around this, it is fair to assume that this may not be a good news story.

We have simultaneously put up a "webchat" interview with Richard on our website, which gives a much broader context and follows our determination to be transparent in our information.

Again, I wished you all to be aware of this before seeing any press coverage regarding this over the weekend.

Regards
Mandy