
From: Stewart McGarrity
Sent: 02 September 2010 16:13
To: Richard Jeffrey
Cc: Gregor Roberts; Claire Malecki
Subject: Private & Confidential
Attachments: RE: details - PRIVATE & CONFIDENTIAL

Private & Confidential

Richard,

I said I'd review our historical expenditure for items you might want to be aware of which in the event of an audit could be spun in a negative way.

Firstly on Incentive payments to contractors....

At the time of Financial Close and shortly thereafter there were a number of Incentive payments to Consultants who had helped us get there – most significantly these included Jim McEwan, Matthew Crosse, Geoff Gilbert and David Powell (CAF procurement guy). No matter how we feel about VfM (and the truth is the whole management team got significant bonuses that year) the arrangements were properly set up in late 2007 and administered by Colin McLachlan and Willie Gallagher.

The one I felt was questionable in principle was a £50k personal payment to Andrew Fitchie. The attached exchange of emails with Colin McLauchlan at the time records my concerns. However again, as Claire can verify, it all seems to have properly documented and agreed with DLA.

Stewart

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