

**From:** [Donna Very](#)  
**To:** [Donald MacRae](#)  
**Cc:** [Ann Allen](#); [Jo Armstrong](#); [Robin McGill](#); [David Satti](#); [Colin McNaughton](#)  
**Subject:** FW: [EXT] Suggested updated statement  
**Date:** 20 December 2023 18:06:29

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All

We have asked our PR support to review our statement and they have suggested a more robust stance. We feel that this is a better statement but wanted to confirm you are content with the changes.

You should be aware that SG have announced Alan's resignation – our PR support have asked whether Alan has signed a confidentiality agreement following his resignation as we would not want him speaking to the press.

They have suggested Donald reaches out to SW to ask that they do not comment on any media activity. David will pick this up with [REDACTED].

If you have any comments please contact us as soon as you can.

D

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**From:** [Donald MacRae](#)  
**To:** [Ann Allen](#); [Robin Mcgill](#); [Jo Armstrong](#)  
**Subject:** Board note -  
**Date:** 22 December 2023 10:50:35

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Dear Board members,

We have had virtual discussions on Tuesday 12<sup>th</sup> December, Tuesday 19<sup>th</sup> December and Thursday 21 December. There have also been multiple one to one conversations. I therefore wanted to summarise these discussions by email exchange and would be grateful if you can confirm the following.

As you are all aware WICS have received a Sc 22 notice in respect of the 2022/23 audit; this was laid before the Scottish Parliament on the 20<sup>th</sup> December. The substance of the Sc 22 focused on actions of the CEO and decisions in relation to expenditure, lack of procedure and failure to demonstrate value for money. Significant work has been done by the senior team both to quantify the issues and to develop a robust action plan to rectify the issues. We as an organisation have accepted the findings in full. The senior team presented the draft action plan to the Board at the meeting on the 7<sup>th</sup> December.

**From:** [Jo Armstrong](#)  
**To:** [Ann Allen](#); [Donald MacRae](#); [Robin McGill](#)  
**Subject:** RE: Private and confidential  
**Date:** 19 December 2023 17:37:45

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Ann

Thanks for this very well-crafted note that clearly outlines the issues underpinning our decision on the termination of Alan as CEO. What remains unclear, however, is who is the Accountable Officer as of today and as of 1/1/24?

J

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**From:** Ann Allen <[REDACTED]@wics.scot>  
**Sent:** Tuesday, December 19, 2023 2:25 PM  
**To:** Donald MacRae <[REDACTED]@wics.scot>; Jo Armstrong <[REDACTED]@wics.scot>; Robin McGill <[REDACTED]@wics.scot>  
**Subject:** Private and confidential

Please find attached my first draft of the notes to keep on file in considering our decision on Alans resignation – very happy to take any comments or suggestions on amending these

Kind regards

Ann

**From:** [Donald MacRae](#)  
**To:** [Ann Allen](#)  
**Subject:** Re: Staff update  
**Date:** 22 December 2023 12:26:03  
**Attachments:** [image001.png](#)

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Ann,

Thanks for this. Happy to proceed as you have outlined. I suggest it is sent from the Board as a whole. I have already communicated personally to all staff re Alan's resignation so this from the whole Board will have even more effect.

Donald

**From:** [Ann Allen](#)  
**To:** [Donald MacRae](#)  
**Subject:** RE: The resignation of Alan Sutherland  
**Date:** 22 December 2023 13:59:00

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Reads well and I would send it the amends do add to the email

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**From:** Donald MacRae [REDACTED]@wics.scot>  
**Sent:** Friday, December 22, 2023 1:36 PM  
**To:** Ann Allen [REDACTED]@wics.scot>  
**Subject:** The resignation of Alan Sutherland

Ann,  
Latest version – see changes to lines 6, 8 and the last 2 sentences.

Dear Jon,

Thank you for taking time this week to discuss the resignation of Alan Sutherland both on the call with Ann Allen and myself on Tuesday and the subsequent call with myself on Wednesday. Alan did send in his resignation notice on Tuesday, which we as a Board have accepted. [REDACTED]

[REDACTED]

[REDACTED]

The senior team within WICS have agreed to act collectively for the next few weeks to ensure that the Sc 22 action plan is taken forward promptly. With this and the important work of the price review we will need to look at capacity and leadership within the organisation. Upon return from the festive break the Board will focus on the open selection and appointment of a new CEO. However to ensure that we have capacity to work well during this process we will look at the possible need for additional interim leadership support. I look forward to working with you and Kersti Berge on moving the organisation forward.

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**From:** [REDACTED] [@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)>

**Sent:** 21 December 2023 16:10

**To:** [REDACTED] [@heraldandtimes.co.uk](mailto:[REDACTED]@heraldandtimes.co.uk)>

**Cc:** [REDACTED] [@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)

[REDACTED] [@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)>

**Subject:** Re: WICS statement

Hi [REDACTED]

Thanks for your email. WICS is focused on working with Audit Scotland and the Scottish Government to deliver the action plan and don't have any further comment to make.

I can confirm that the Chief Executive tendered his resignation earlier this week and this has been accepted.

Many thanks

[REDACTED]

[REDACTED]

Deputy Managing Director  
**Perceptive Communicators**

[REDACTED]

Perceptive Communicators, Suite 2.3, 65 Bath Street, Glasgow G2 2BX



[REDACTED]

Senior News Reporter  
The Herald/Herald on Sunday

[REDACTED]

Email: [REDACTED] [@theherald.co.uk](mailto:[REDACTED]@theherald.co.uk)

Twitter: [REDACTED]

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**From:** [REDACTED] <[\[REDACTED\]@heraldandtimes.co.uk](mailto:[REDACTED]@heraldandtimes.co.uk)>  
**Sent:** 20 December 2023 20:12  
**To:** [REDACTED] <[\[REDACTED\]@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)>  
[REDACTED] <[\[REDACTED\]@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)>  
**Cc:** [REDACTED] <[\[REDACTED\]@perceptivecommunicators.co.uk](mailto:[REDACTED]@perceptivecommunicators.co.uk)>  
**Subject:** Re: WICS statement

The Scottish government has said that the chief executive has quit with immediate effect.

Is WICS saying anything about this and whether the same will happen with the chief operating officer?

[REDACTED]  
Senior News Reporter  
The Herald/Herald on Sunday  
Tel: [REDACTED]  
Email: [REDACTED]  
Twitter: [REDACTED]

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**From:** Donna Very  
**To:** [REDACTED] [perceptivecommunicators.co.uk](mailto:perceptivecommunicators.co.uk); Colin McNaughton  
**Cc:** [REDACTED]; [REDACTED]  
**Subject:** RE: [EXT] Media update  
**Date:** 21 December 2023 08:13:42

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H [REDACTED]

We message staff late last night with the updated statement along with requesting that staff do not engage on social media platforms. Our chair sent an email confirming Alan's resignation.

I have checked our enquiries mailbox and there has been no further press enquiries. I will check it again later.

D

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**From:** [REDACTED]@perceptivecommunicators.co.uk>  
**Sent:** Thursday, December 21, 2023 7:56 AM  
**To:** Colin McNaughton [REDACTED]@wics.scot>; Donna Very [REDACTED]@wics.scot>  
**Cc:** [REDACTED]@perceptivecommunicators.co.uk>; [REDACTED]  
[REDACTED]@perceptivecommunicators.co.uk>; [REDACTED]  
[REDACTED]@perceptivecommunicators.co.uk>; [REDACTED]  
[REDACTED]@perceptivecommunicators.co.uk>  
**Subject:** [EXT] Media update

**CAUTION:** This email originated from outside the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Good morning Donna & Colin

As promised we distributed the agreed statement to the media who requested this. I got a couple of replies confirming receipt, but no further questions at this stage.

I haven't received any calls further to our discussion with David, but will keep you posted on this.

As promised we will prepare a round up of all the coverage, but in the meantime I thought it was important to highlight that the Auditor General has already appeared on Good Morning Scotland about the report. He is critical in his comments about the organisation and also mentions governance in relation to the Board. I don't think there is any merit in providing any further statement at the moment but I think we are likely to have another challenging day from a media perspective.

The interview is between 6.12 and 6.17am

[https://www.bbc.co.uk/sounds/play/live:bbc\\_radio\\_scotland\\_fm?partner=uk.co.bbc&origin=share-mobile](https://www.bbc.co.uk/sounds/play/live:bbc_radio_scotland_fm?partner=uk.co.bbc&origin=share-mobile)

In relation to staff, I'm sure they will be aware re CEO resignation but would recommend that this is confirmed by the organisation. I would recommend that this is a brief update and have



suggested some wording below. I would recommend this is also checked by your legal advisers. I have assumed you will be seeking a new CEO.

As discussed we will monitor the media, social media and discussions in Parliament and keep you posted.

Suggested wording for colleagues communication

Dear colleague/usual initial greeting

Further to our communication yesterday, as you will no doubt be aware, the report from Audit Scotland has been featured in the media. We have provided a statement (shown below for your information) accepting the findings and confirming we are focused on addressing these issues.

You may also be aware of media coverage relating to our Chief Executive's resignation. We would like to confirm that this is indeed the case and we will be seeking to find a new CEO who will lead the organisation and the plan to address the points raised by Audit Scotland.

There is likely to be further media interest as the report is shared and discussed at Parliament etc. If you are approached for comment by the media please direct this to [insert details]. These issues may also be raised on social media and we would request that employees do not engage in any comment about the organisation, issues or staff on social media.

We appreciate your continued support during this challenging time and will keep you posted on any other updates.

Thank you

Media statement for information

"We acknowledge and accept the Auditor General for Scotland's Section 22 report on our Annual Report and Accounts for 2022/23 and the issues highlighted in the report. We take the Auditor General's findings seriously and will work with Audit Scotland and the Scottish Government to address these. This is a priority for the organisation. We are in the process of putting robust policies and procedures in place and will implement these in conjunction with Audit Scotland and the Scottish Government."

■

■  
Managing Director



██████████ [@perceptivecommunicators.co.uk](mailto:██████████@perceptivecommunicators.co.uk)

Perceptive Communicators  
**Better Communication. Better Results.**



[www.perceptivecommunicators.co.uk](http://www.perceptivecommunicators.co.uk)



**From:** [Jon.Rathjen@gov.scot](mailto:Jon.Rathjen@gov.scot)  
**To:** [Donald MacRae](#)  
**Subject:** [EXT] Automatic reply: The resignation of Alan Sutherland  
**Date:** 22 December 2023 14:05:11

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**CAUTION:** This email originated from outside the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

I am out of the office until Monday January 8th. My mailbox is being monitored but only for items requiring very urgent action.

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**From:** [David Satti](#)  
**To:** [REDACTED]  
**Cc:** [Donald MacRae](#)  
**Subject:** RE: [EXT] Fwd: WICS statement  
**Date:** 21 December 2023 15:12:40

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[REDACTED]

Good afternoon. We were thinking of building on the line suggested by our PR firm and using the following:

“I can confirm that the Chief Executive tendered his resignation on 19<sup>th</sup> December and this has been accepted.”

We were keen to have your advice on this and, in particular, the use of the word accepted.

Kind regards  
David

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**From:** David Satti [REDACTED]@wics.scot>  
**Sent:** Thursday, December 21, 2023 2:15 PM  
**To:** [REDACTED]@shepwedd.com>  
**Cc:** Donald MacRae [REDACTED]@wics.scot>  
**Subject:** FW: [EXT] Fwd: WICS statement

Hi [REDACTED]

Following your call with Donald, I've included the question we are responding to:

The Scottish government has said that the chief executive has quit with immediate effect. Is WICS saying anything about this and whether the same will happen with the chief operating officer?

This journalist asked the question last night and has asked again today.

Regards  
David

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**From:** [David Satti](#)  
**To:** [REDACTED]@gov.scot; [REDACTED]@consumer.scot; [REDACTED]n@sepa.org.uk  
**Cc:** [Donald MacRae](#)  
**Subject:** Update from Donald MacRae  
**Date:** 20 December 2023 14:38:42

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Dear all

I am writing to you today to let you know that Alan has tendered his resignation with effect from 31 December 2023. Alan should be recognised for the huge contribution he has made to the water industry in Scotland and internationally during his 24 years tenure. I am sure you will join me in wishing him all the very best for the future.

I wish you all a very Merry Christmas and Happy New Year and I look forward to working with you in 2024.

Kind regards

Donald

**Professor Donald MacRae OBE FRSE  
Chair**

**From:** [Donald MacRae](#)  
**To:** [Jo Armstrong](#); [Robin McGill](#); [Ann Allen](#)  
**Subject:** FW: The resignation of Alan Sutherland  
**Date:** 22 December 2023 14:15:00

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All,  
For your information and records,  
Donald

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**From:** Donald MacRae  
**Sent:** Friday, December 22, 2023 2:05 PM  
**To:** Jon.Rathjen@gov.scot  
**Subject:** The resignation of Alan Sutherland

Dear Jon,

Thank you for taking time this week to discuss the resignation of Alan Sutherland both on the call with Ann Allen and myself on Tuesday and the subsequent call with myself on Wednesday. Alan did send in his resignation notice on Tuesday, which we as a Board have accepted. [REDACTED]

[REDACTED]

[REDACTED]

The senior team within WICS have agreed to act collectively for the next few weeks to ensure that the Sc 22 action plan is taken forward promptly. With this and the important work of the price review we will need to look at capacity and leadership within the organisation. Upon return from the festive break the Board will focus on the open selection and appointment of a new CEO. However to ensure that we have capacity to work well during this process we will look at the possible need for additional interim leadership support. I look forward to working with you and Kersti Berge on moving the organisation forward.

Festive greetings,  
Donald

