

From: [Richard Smith](#)
To: [REDACTED]
Cc: [REDACTED]
Subject: [EXT] RE: [EXT] RE: Approval sought
Date: 03 November 2023 09:47:05
Attachments: [image001.png](#)

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Thanks [REDACTED]. We will note in our AAR that the SG has provided retrospective approval for these payments although my impression from my discussion with Robin was that he wasn't aware of the Chief Operating Officer's attendance at that training course.

Kind regards,

Richard

From: [REDACTED]@wics.scot>
Sent: Friday, November 3, 2023 9:05 AM
To: Richard Smith [REDACTED]@audit-scotland.gov.uk>; [REDACTED]@audit-scotland.gov.uk>
Cc: [REDACTED]@wics.scot>
Subject: FW: [EXT] RE: Approval sought

EXTERNAL: THIS EMAIL ORIGINATED OUTWITH AUDIT SCOTLAND

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- Is the senders email address right? (click the senders Name to see their email address)
- Are you expecting this email?
- Does it make sense? Would this person really ask this?
- Have you ever had an email like this before?
- Is the email written in good English or in the style you would expect from that person?

Hi Richard [REDACTED]

Following communication with Alan yesterday, we have received retrospective comment from [REDACTED] from SG) on the two items of expenditure you highlighted.

Let me know if you need anything else or require further discussion.

Kind regards

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: Donna Very [REDACTED] <[\[REDACTED\]@wics.scot](mailto:[REDACTED]@wics.scot)>
Sent: Friday, November 3, 2023 8:49 AM
To: [REDACTED] <[\[REDACTED\]@wics.scot](mailto:[REDACTED]@wics.scot)>
Subject: Fwd: [EXT] RE: Approval sought

Hi [REDACTED]

We got this back from [REDACTED]

D

Begin forwarded message:

From: [REDACTED] <[\[REDACTED\]@gov.scot](mailto:[REDACTED]@gov.scot)>
Date: 3 November 2023 at 08:02:00 GMT
To: Alan Sutherland [REDACTED] <[\[REDACTED\]@wics.scot](mailto:[REDACTED]@wics.scot)>
Cc: Donna Very [REDACTED] <[\[REDACTED\]@wics.scot](mailto:[REDACTED]@wics.scot)>

Subject: [EXT] RE: Approval sought

Please note this correspondence was released in response to FOI 12 23 and it is publicly available on wics.scot.

Page 1-2 <https://wics.scot/system/files/2024-03/FOI%2012%2023.pdf>

From: Donna Very [REDACTED]@wics.scot> **On Behalf Of** Alan Sutherland
Sent: Thursday, November 2, 2023 6:17 PM
To: [REDACTED] [REDACTED]@gov.scot>
Cc: Donna Very [REDACTED]@wics.scot>

Please note this correspondence was released in response to FOI 12 23 and it is publicly available on wics.scot.

Page 2 <https://wics.scot/system/files/2024-03/FOI%2012%2023.pdf>

From: [Michelle Ashford](#)
To: [Ann Allen](#); [REDACTED]
Subject: FW: Harvard - Points of Clarification
Date: 19 March 2024 14:38:58
Attachments: [image001.png](#)
[image002.png](#)

Apologies both

I sent this email to Donald, Robin and David earlier, given that the letter from the AG to the PAC is on the parliamentary website and that there is an article today in the Daily Express, and to ensure that the facts behind my Harvard program is on record.

Kind regards

Michelle

Michelle Ashford
Chief Operating Officer


WICS

First Floor, Moray House,
Forthside Way, Stirling FK8 1QZ



Twitter: [@WICSScotland](#) **LinkedIn:** [WICS](#)
enquiries@wics.scot | wics.scot | scotlandontap.gov.uk

 Please think of the environment before printing this email

From: Michelle Ashford
Sent: Tuesday, March 19, 2024 2:14 PM
To: Donald MacRae [REDACTED]@wics.scot>; Robin McGill [REDACTED]@wics.scot>; David Satti [REDACTED]@wics.scot>
Cc: Richard Smith [REDACTED]@audit-scotland.gov.uk>
Subject: Harvard - Points of Clarification

Please note that this information has been published by the Public Audit Committee.
Page 3-5: <https://www.parliament.scot/-/media/files/committees/public-audit-committee/correspondence/2024/wics-written-submission-michelle-ashford-wics-april-2024.pdf>

Approval Form NCA - Michelle Ashford (Exec Education Course)

Please note this information was released in response to FOI 12 23. Page 315-316: <https://wics.scot/system/files/2024-03/FOI%2012%2023.pdf>

From: [Alan Sutherland](#)
To: [Richard Smith](#)
Cc: [REDACTED]; [Directors](#)
Subject: Re: [EXT] External audit - Payment requiring SG approval
Date: 02 November 2023 17:39:22
Attachments: [image001.png](#)
[image002.png](#)
[image001.png](#)
[image002.png](#)
[Approval form 2_NCA - Michelle Ashford \(Exec Education Course\).docx](#)

Hi Richard

We have written to [REDACTED] requesting these retrospective approvals.

Alan

On 27 Oct 2023, at 11:09, Richard Smith [REDACTED]@audit-scotland.gov.uk> wrote:

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.

Morning Alan,

Following our clearance meeting on Tuesday morning, the completion of our expenditure testing has identified a further payment made during 2022/23 that required Scottish Government approval. This relates to the cost of a training course attended by the Chief Operating Officer as detailed in the attached form. As the value of this exceeded £20k it required to be approved by the Scottish Government but we are not aware whether this approval was obtained at the time. Given the value of this payment we need to see the SG approval to be able to provide a clean regularity opinion on the 2022/23 annual accounts. Would you therefore be able to either:

- Provide a copy of the SG approval obtained at the time demonstrating that they signed off on this expenditure, or
- Contact your sponsor division to request retrospective approval for this payment.

In connection to this payment, we also don't believe that the benefit analysis section of the attached Expenditure appraisal form provides adequate evidence that a value for money of the proposal was completed prior to it being approved. We will therefore be including a recommendation in our Annual Audit Report in relation to this to ensure this is more clearly documented in the future.

If you do require to obtain retrospective approval for this payment (i.e. SG approval was not obtained at the time) then we would also ask if you could similarly request SG approval for the £2,500 expenditure incurred on the purchase of the 25 x £100 Amazon gift vouchers as this also should have been signed off by the SG as it exceeded the £75 gift threshold that WICS

can authorise, as discussed at our meeting on Monday.

Regards,

Richard

Richard Smith
Senior Audit Manager

[REDACTED]

Audit Scotland, 4th Floor, South Suite, The Athenaeum Building
8 Nelson Mandela Place, Glasgow, G2 1BT

[REDACTED]

www.audit-scotland.gov.uk

Please note that my current working pattern is 8:45am-5pm Monday to Friday

Executive education courses - options appraisal

Please note this information was released in response to FOI 12 23. Pages 310-15: <https://wics.scot/system/files/2024-03/FOI%2012%2023.pdf>

From: [Alan Sutherland](#)
To: [REDACTED]
Cc: [Directors](#)
Subject: Re: [EXT] RE: [EXT] External audit - Payment requiring SG approval
Date: 02 November 2023 17:34:40
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image001.png](#)
[image002.png](#)
[image003.png](#)
[Approval form 2_NCA - Michelle Ashford \(Exec Education Course\).docx](#)
[Executive Education courses - option appraisal.xlsx](#)

[REDACTED]

Will go back to him. We have prepared a note to [REDACTED] It would have been helpful if he had copied me in his response to you.

All best

A

On 2 Nov 2023, at 17:30, [REDACTED]@wics.scot> wrote:

Hi Alan,

I had a catch up with the auditors this afternoon and Richard asked if I had heard from you on his query below. Can you get back to him to confirm whether you are planning to seek retrospective approval for this expenditure?

Thanks

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: Richard Smith [REDACTED]@audit-scotland.gov.uk>
Sent: Sunday, October 29, 2023 9:36 PM
To: [REDACTED]@wics.scot>
Cc: [REDACTED]@audit-scotland.gov.uk>
Subject: [EXT] RE: [EXT] External audit - Payment requiring SG approval

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H [REDACTED]

Thanks for coming back to us on this. The heading on the attached form seemed to suggest it required SG approval if it was greater than £20k but are you saying that doesn't apply to this type of expenditure? If so, can you just point us in the direction of the relevant policy, or section of your framework document that covers this.

We will wait and see what Alan responds with but on our VFM point then we don't think the process followed represents a robust VFM assessment. The attached option appraisal doesn't show the relative costs of each of the options but our bigger issue is that it is not clear what assessment was done as to whether this course was essential to the business of WICS or the individual undertaking their role. For this level of expenditure we would have expected either a clear case that the individual could not do their job without this training or that the cost of the course would have been recouped through business benefits to the organisation resulting from the training. We are happy to discuss this though if there is something we are missing around this.

Hope you are doing OK and we can catch-up at our meeting on Thursday afternoon on what we can do to support you through the audit reporting process and the implementation of our recommendations.

Take care,

Richard

From: [REDACTED] <[\[REDACTED\]@wics.scot](mailto:[REDACTED]@wics.scot)>

Sent: Sunday, October 29, 2023 3:40 PM

To: Richard Smith <[\[REDACTED\]@audit-scotland.gov.uk](mailto:[REDACTED]@audit-scotland.gov.uk)>; Alan Sutherland <[\[REDACTED\]@audit-scotland.gov.uk](mailto:[REDACTED]@audit-scotland.gov.uk)>

Cc: [REDACTED] <[\[REDACTED\]@audit-scotland.gov.uk](mailto:[REDACTED]@audit-scotland.gov.uk)>

Subject: RE: [EXT] External audit - Payment requiring SG approval

Hi Richard,

Our procurement policy requires expenditure over £100k to be approved by the Scottish Government, and over £20k if it is a single supplier purchase. If I remember correctly, the reason this did not go to SG for approval at the time was that the total value was less than £100k and it was not the type of purchase that could be competitively tendered. There was a review of potential options attached to the purchase order (see attached) and the choice of course would have been discussed between Alan and Michelle as part of Michelle's personal development.

Please let me know if you require any further information from me, and I will let Alan review and get back to you with his thoughts on this matter.

Kind regards

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: Richard Smith [REDACTED] <[\[REDACTED\]@audit-scotland.gov.uk](mailto:[REDACTED]@audit-scotland.gov.uk)>
Subject: [EXT] Confidential - Issues discussed with external audit
Date: 26 October 2023 at 12:56:32 BST
To: "[robin.mcgil](mailto:robin.mcgil@audit-scotland.gov.uk)" [REDACTED]
[REDACTED]

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Robin,

[REDACTED]

I checked with [REDACTED] from the audit team and the business case for the Chief Operating Officer's attendance at the training course at Harvard Business School was approved by the Chief Executive. However, as the value of the course exceeded £20k WICS should also have obtained Scottish Government approval for this but didn't. It noted on the business case that SG approval is required if over £20k but Board approval is only required if it exceeds £100k which seem the wrong way round to us as generally we would expect Board approval to be set at a lower level than SG approval so that may be something the Board want to look at.

Thanks for your time this morning and if you have any further questions then just let me know.

Richard

Richard Smith
Senior Audit Manager

[REDACTED]

Audit Scotland, 4th Floor, South Suite, The Athenaeum Building
8 Nelson Mandela Place, Glasgow, G2 1BT

[REDACTED]
www.audit-scotland.gov.uk

Please note that my current working pattern is 8:45am-5pm Monday to Friday



From: Richard Smith
To: David Satti;
Cc:
Subject: [EXT] RE: [EXT] RE: [EXT] External audit - 2023/24 proposed fee and audit update
Date: 27 February 2024 11:30:02
Attachments:
24-2-27_WICS S22 Followup PAC.pdf

Morning David,

Further to my e-mail below, PAC asked the Auditor General for Scotland during our evidence session if we could share the correspondence between WICS and your Sponsor Division in relation to the granting of retrospective approval for the gift vouchers and training course expenditure. The AGS has provided the redacted e-mails to the Convener this morning (included as an appendix to the attached letter) so I just wanted to make you aware that these are now in the public domain.

In the covering letter we also took the opportunity to clarify that it was the Chair of the Audit and Risk Committee, rather than the Chair of the Board, who authorised the Chief Executive's expenses. Thanks for clarifying this and apologies again for this inaccuracy in our evidence to PAC.

Kind regards,
Richard

**Please note the attachment to this correspondence was published by the Public Audit Committee:
<https://www.parliament.scot/-/media/files/committees/public-audit-committee/correspondence/2024/wics-ags-to-pac-27-feb-2024.pdf>**

From: [David Satti](#)
To: [REDACTED]
Subject: Re: [EXT] 2 further questions
Date: 12 June 2024 09:19:30
Attachments: [image001.png](#)

[REDACTED]

The VFM training undertaken recently is the line in the FOI release totalling £3,528. The total cost of sending each individual of the LT on the course was similar to the Civil Service Colleague hosting a specific course for WICS. We chose the latter on the basis it offered more value for money since the full finance team, department heads and managers could go the course.

[REDACTED]

Regards
David

From: [REDACTED]
Sent: Wednesday, June 12, 2024 8:08 AM
To: David Satti [REDACTED]@wics.scot>
Subject: [EXT] 2 further questions

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David,

Just a couple of extra points how much did the training course for the Leadership Team cost (it says 12 staff went in the plan) by the Civil Service College on the 19th March its in your Action plan?

[REDACTED]

thanks

[REDACTED]

[REDACTED]
Deputy Director
Water Policy & DECC Operations
Scottish Government

[REDACTED]
[REDACTED]

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From: [REDACTED]
To: [REDACTED]
Subject: [EXT] Re: [EXT] RE: historic training
Date: 11 June 2024 16:44:32

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David just flagging as this is a likely area of enquiry you may get asked. [REDACTED]

From: [REDACTED]
Sent: Tuesday, June 11, 2024 4:05:22 PM
To: David Satti [REDACTED]
Subject: RE: [EXT] RE: historic training

Thanks David

From: David Satti [REDACTED]
Sent: Tuesday, June 11, 2024 3:55 PM
To: [REDACTED]
Subject: RE: [EXT] RE: historic training

[REDACTED]

The only person involved in the procurement of the historic training was [REDACTED] [REDACTED] [REDACTED]. The delay was because I was checking with other colleagues but they weren't involved. These courses wouldn't have been something that we wouldn't have been able to tender. The process that was taken for Harvard course was that an options appraisal was seen as similar to seeking multiple quotes and thus the threshold of £100k applied. Audit Scotland last year highlighted that anything that isn't competitively tendered (regardless of an options appraisal) is seen as a single tender which led to the retrospective approval.

I suspect that all previous courses were handled in the same way.

Regards
David

From: [REDACTED]
Sent: Tuesday, June 11, 2024 3:44 PM
To: David Satti [REDACTED]
Subject: [EXT] RE: historic training

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Any update really needs this today?

From: [REDACTED]
Sent: Tuesday, June 11, 2024 2:36 PM
To: David Satti [REDACTED]
Subject: historic training

David,

Can I ask re the high value historic training were they all procured by single tender?

Thanks [REDACTED]

[REDACTED]
Deputy Director
Water Policy & DECC Operations
Scottish Government
[REDACTED]
[REDACTED]

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secure the effective operation of the system and for other lawful purposes. The views or opinions contained within this e-mail may not necessarily reflect those of the Scottish Government.

From: Richard Smith

To: Michelle Ashford

Subject: [EXT] RE: Harvard - Points of Clarification

Date: 19 March 2024 14:51:39

Michelle,

Thank you for sharing your account of the circumstances relating to your attendance at the Harvard Business School,

and who within WICS and the sponsor division was aware of this expenditure. I have shared this with the Auditor

General for Scotland and the Audit Director for the Scottish Government audit for information ahead of Thursday's PAC

session.

Kind regards,

Richard

From: [REDACTED]

To: [REDACTED]

Cc: [REDACTED]

Subject: [EXT] RE: Harvard - Points of Clarification

Date: 20 March 2024 08:47:11

Michelle,

Thanks I will place on the record and helpful to understand that WICS colleagues also have this.

[REDACTED]

[REDACTED]

Deputy Director

Water Policy & DECC Operations

Scottish Government

[REDACTED]

[REDACTED]

From: Michelle Ashford [REDACTED]

Sent: Tuesday, March 19, 2024 2:50 PM

To: [REDACTED]

Cc: [REDACTED]

Subject: FW: Harvard - Points of Clarification

Hi [REDACTED]

Apologies for sending this out of the blue, but I wanted you to be aware before the PAC on Thursday.

I sent this to those in WICS attending the PAC, following the publication of the AG letter to the PAC on the parliamentary website and the media article today in the Daily Express.

My points are set out below, but suffice to say that no one in WICS has spoken to me about Harvard since the audit last year, the S22 Report and the PAC in February, and I wanted to make

sure they were in receipt of the facts before the meeting on Thursday.

Kind regards

Michelle

WATER INDUSTRY COMMISSION FOR SCOTLAND

APPROVAL FORM

For contracts and expenditure > £5,000

ID:	1640	Title:	Executive MBA Programme [REDACTED]
Date raised:	08/05/18	Supplier:	London Business School
Nominal code:	7501	Manager:	Alan Sutherland

Expenditure type (place an x in the appropriate box)

One-off purchase	x
One-off contract	
Existing services contract	

Description of contract or purchase

The Commission recognises the benefits that continuous learning offers not only to our employees but to the success of the delivery of the organisation's objectives. To assist employees who wish to further their education by obtaining a relevant business qualification, the Commission has a policy which offers eligible employees the opportunity to apply for payment by the Commission of a sponsorship contribution for such a qualification.

Following the difficulty in recruiting at a senior level, it is now imperative that the Commission grows talent internally. To support the further development of [REDACTED] the employment offer included the opportunity to obtain sponsorship for the completion of an MBA Executive Programme. The Commission's policy is to cover the fees of the Programme and any travel and accommodation costs. See below for fee costs.

Expenses summary: total required for 5 terms, 6 sets of two-day training per term:
£34,800

Assume 3 nights' accommodation required per set = 90 days @ £200 = £18,000

Assume daily subsistence required per day = £70, therefore £6,300 subsistence

Assume one return flight to London for each set = 30 flight @ £350 = £10,500

Deliverables and payment terms

Dates/ timescale	Supplier	Deliverable	Amount £ (inc VAT)
May 2018	LBS	Commitment fee	2,120
August 2018	LBS	Fees for terms 1-3	48,580
August 2019	LBS	Fees for terms 4-5	33,800
Aug 18 – Aug 19	Various	Estimated cost of travel and subsistence	34,800
Total amount to be approved			119,300

Reason for using a consultant (if applicable)					
(i) Objective of proposed contract:					
Provision of a two-year Executive MBA Programme for ██████████ Head of Hydro Nation, Retail and Innovation.					
(ii) Reason for not performing the work in-house (place an x in the appropriate box):					
Insufficient resource		Insufficient expertise		Other (specify below)	x
(iii) Summarise any analysis conducted or rationale for arriving at the conclusion that a consultant is the optimal solution:					
This is not applicable.					
(iv) Reason why this particular supplier was chosen					
London Business School is consistently ranked as one of the best business schools in the world.					

Details of other quotes received
Best practice is to obtain 3 written quotations. Please note other quotes here or explain why quotes were not sought. For purchases valued > £50k, sealed bid procedures apply.
Not applicable.

Reputational risk
All expenditure by the Commission must not only offer value for money but must be appropriate from a public-sector organisation perspective. Please note below considerations that have been given with regards to reputational risk.
The MBA incentive programme is a key element of staff retention. Staff retention is one of the Commission's highest risks and retaining qualified and knowledgeable employees is essential for succession planning and the overall success of the organisation being able to deliver its core objectives.

Authorisation		
	Signature	Date
Budget holder:	██████████	18/05/18
Approval panel:	██████████	18/05/18
Finance:	██████████	18/05/18

From: [REDACTED]
To: [David Satti](#)
Subject: Approval forms
Date: 12 June 2024 09:04:52
Attachments: [Columbia University Signed approval \(1\).pdf](#)
[1640 - AS - London Business School.pdf](#)

Hi David,

As discussed.

Kind regards,

[REDACTED]

WATER INDUSTRY COMMISSION FOR SCOTLAND

PROCUREMENT APPRAISAL FORM

For all procurement activities valued greater than £10,000

Staff must complete this appraisal form before entering into any arrangement for, or on behalf of, the Water Industry Commission for Scotland (the Commission), that commits the Commission to pay more than £10,000 for the purchase of goods, works or services.

Title:	Executive Development Program
Proposed supplier:	Columbia University
Estimated timing:	November 2019
Lead purchaser:	Alan Sutherland
Value of procurement (£):	23,000
Budget (£):	23,000

DESCRIPTION OF PROCUREMENT

Provide a brief description of the procurement and any relevant background information.

This request seeks approval for the Head of External Relations and Strategy to attend a two week "Executive Development Program" at Columbia University in New York. The 13 day course builds on leadership skills and business competencies which will assist the new Head of External Relations and Strategy in the development of her skillset. Participants to the course will explore critical business subjects with a strong focus on developing leadership ability.

DELIVERABLES

Summarise the key deliverables and expectations of the procurement.

Description of deliverables and estimated timescales	Value (£)
2 week executive training course, including accommodation	21,000
Flights from Scotland to New York (maximum budget)	2,000

BENEFIT ANALYSIS

Summarise any anticipated outcomes or benefits to the Commission relating to this procurement, including cost effectiveness, benefits relating to the delivery of the Commission's services and assistance with complying with statutory duties.

The office is committed to the development of its staff and this course will build confidence, develop skills and assist in future-proofing of the organisation.

RISK ANALYSIS

Document any risks, assumptions, issues or dependencies associated with this procurement (including any impact on the Commission's reputation, financial risks, legal risks or political risks).

Are there any risks, assumption, issues or dependencies identified in relation to this procurement?

Delete as appropriate: NO

If yes, please note them below.

RISKS	None noted.
ASSUMPTIONS	None noted.
ISSUES	None noted.
DEPENDENCIES	None noted.

ROUTE TO MARKET

What are the implications of not going ahead with the procurement?

This course is required for the development of a key employee. Not going ahead with the procurement of this training would impede the Commission's aim to commit to the development of staff.

What consideration has been given to using an existing services contract or Scottish Government framework contract?

No such framework contract available.

What consideration has been given to performing the work in-house?

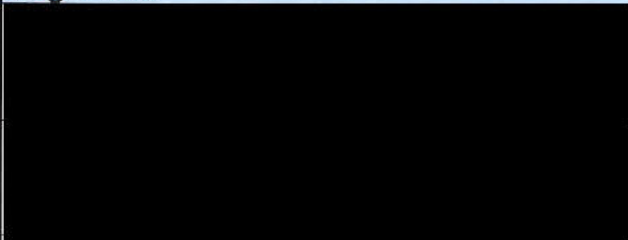
No such training available within the office of the Commission.

Has the market been assessed to ensure sufficient open competition has been achieved? If so, please note any other quotes received.

A number of Universities were considered but the course at Columbia seems to meet the needs of the member of staff. The course is in the same price range as similar courses. Columbia University was ranked 2nd among U.S. colleges for 2017 by Wall Street Journal.

SUSTAINABILITY ASSESSMENT	
Is there any legislation or other legal issue that you are aware of, that could affect the specification of this procurement, e.g. Health and Safety, Equality Act 2010?	Are community benefits achievable because of this procurement, including the involvement of small and medium enterprises, third sector bodies and supported businesses?
None noted.	Not applicable.
Are there diversity issues that need to be considered e.g. accessibility needs, etc.	Are there any environmental issues to be considered as part of this procurement?
Not applicable.	Not applicable.

CONTRACT MANAGEMENT CONSIDERATIONS
Does the procurement give rise to a contract? If yes, please note any considerations that will be required relating to the management of the contract, such as clarity of roles, responsibilities, accountabilities, competency requirements/qualifications and deliverables.
Not applicable.

AUTHORISATION AND ADMINISTRATION		
	Signature	Date
Lead purchaser:		
On behalf of approvals panel:		
Finance ref:		PD-0218

From: [David Satti](#)
To: [Robin McGill](#)
Cc: [Donald MacRae](#); [Ann Allen](#)
Subject: RE: FOI data - staff training
Date: 12 June 2024 09:37:30
Attachments: [Approval forms \(2.16 MB\).msg](#)
[EXT Coverage \(1.74 MB\).msg](#)

Morning all

By way of an update, the herald and times both ran a story on the front page. Clippings attached in the email from 3x1 Group.

I've also tasked [REDACTED] yesterday with finding the approval forms for the courses. She has found the two most recent (and is still looking). I've attached these also for information but it is clear to me that these wouldn't have been presented to the Board or SG for approval.

Regards
David

From: David Satt [REDACTED]
Sent: Tuesday, June 11, 2024 8:05 PM
To: Robin McGill [REDACTED]
Cc: Donald MacRae [REDACTED] Ann Allen [REDACTED]
Subject: Re: FOI data - staff training

The main objective has been to try to minimise a "drip drip" of headlines over multiple days. The risk which we had been managing was the prospect of the times (who we gave the FOI data to last night) writing a story today out of fear of someone else would get in ahead of them. We subtly let [REDACTED] know that he had a bit of time via 3x1.

The herald must have an alert on PAC publications because as soon as the letters were published, they were asking questions of SG who referred to the FOI and 'significant' other training in its letter. We put the material on the website this afternoon rather than this evening in again to minimise 'headlines' on Thursday.

The other advice from 3x1 has been on the lines and trying to explain to put more context on the training policies and why we had them using the PAC letter as explanation. During the period in question WICS spent on average 1.5% of revenues on training (less than Audit Scotland I believe).

Ultimately 3x1 think this will be used to go after the government and thus the SNP as part of the electioneering which changes the dynamics for WICS because the press might not even use our comments and go direct to SG. This was what happened with the Herald recently (early last month on the departure process). [REDACTED] didn't come to us for comment and SG didn't give us the heads up that an article was pending.

Regards

David

From: Robin McGill [REDACTED] >

Sent: Tuesday, June 11, 2024 7:29 PM

To: David Satti [REDACTED]

Cc: Donald MacRae [REDACTED] Ann Allen [REDACTED]

Subject: Re: FOI data - staff training

David, it's not being defensive explaining what happened.

The more we understand what actually happened the better prepared we will be to field questions and comments that may come.

I know enough to understand the recipients of these MBA/Executive training courses did nothing wrong, so no implied criticism from me. As you say other less well informed people (with agendas) may profess to see it differently.

What advice are you getting from the PR company?

Robin.

On 11 Jun 2024, at 18:35, David Satti [REDACTED] wrote:

Robin

SG have been informed of the FOI throughout the process and I understand they cited it in their letter to PAC.

Yes, it is true that 4 members of the leadership team have had training. 3 of these were not in senior positions at the time of the training (and may not be on their position as a result) but others will not see it in that way.

I don't mean to sound defensive but there is a difference between the MBAs and the exec education courses. The former was a two year course with a recognised qualification and a two year lock-in. I understand that Alan produced a business case for SG for the analyst MBA policy in 2006 and then again in 2014, but haven't seen them. I'm trying to find them and

know that SG have copies.

I am also trying to understand whether there was SG/Board approval. I need to wait until [REDACTED] comes back because none of the current leadership team was involved. For example, I was a senior analyst when offered my MBA training and the offer letter had our previous chair, [REDACTED] details on it.

My hypothesis here which I need to test with [REDACTED] is that the same approach was taken to the Harvard course ie an options appraisal been considered similar to multiple quotes but I don't know for sure yet.

The other question which you didn't, but is worth exploring, is why internal or external audit didn't pick it up until now. My hypothesis here is that the MBAs would have invoiced over two years (perhaps per term) and all might have been under the single tender purchase threshold but I don't know that for sure and perhaps that is me giving internal and external audit the benefit of the doubt.

Regards

David

From: Robin McGill [REDACTED]
Sent: Tuesday, June 11, 2024 3:06 PM
To: David Satti [REDACTED]
Cc: Donald MacRae [REDACTED] Ann Allen [REDACTED]
Subject: Re: FOI data - staff training

David et al.

I think this is bound to raise some press or political interest. SG have sight of this, what is their reaction?

£340k on 4 of the senior team. Was any of this approved by SG? or us?

Robin.

On 11 Jun 2024, at 11:08, [REDACTED]
[REDACTED]@wics.scot> wrote:

Dear all

For information, please find attached the FOI information released yesterday relating to staff training.

Best regards

██████████

<0624-FOI -Release-data.xlsx>

From: [REDACTED]
To: [REDACTED] @gov.scot
Cc: [REDACTED] @gov.scot; David Satti
Subject: Information Request 06 24: Draft
Date: 03 June 2024 12:25:00
Attachments: [image001.png](#)
[RE 06 24 - FOI - Staff Training.msg](#)

Dear [REDACTED] and Team,

I promised to share our proposed response to the recent FOI request from The Times, before we released it. I am now in a position to share the attached draft with you. Please note we still have some minor editing to do, to ensure what we release is an accurate reflection of the training undertaken, and the associated costs.

I understand you also have your own request to respond to, alongside PAC responses, so it would be really helpful if you could signal whether you would like us to issue on or after a certain date. It will be finalised before the end of this week. The deadline is 11 June.

Kind regards,

[REDACTED]

[REDACTED]

Assistant Manager

WICS

First Floor, Moray House,
Forthside Way, Stirling FK8 1QZ

M: [REDACTED]
[REDACTED]



Twitter: [@WICSScotland](#) **LinkedIn:** [WICS](#)
enquiries@wics.scot | wics.scot | scotlandontap.gov.uk

From: [Freedom of Information](#)
To: [REDACTED]
Subject: 06 24 - FOI - Staff Training
Date: 16 May 2024 17:17:29

Hi [REDACTED]

I understand [REDACTED] mentioned this recent FOI to you today. For information, please find below the full details of the request that we are working through.

If you have any questions don't hesitate to get in touch [REDACTED]
[REDACTED]

Kind regards,
[REDACTED]

From: [REDACTED]
Sent: Tuesday, May 14, 2024 10:55 AM
To: Freedom of Information <foi@wics.scot>
Subject: [EXT] Freedom of information request

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.

Hi, I'd like to make the request for the following information.

Please can you provide the amount of expenditure on staff training for each financial year from 2013/14 through to 2023/24?

For any expenditure greater than £1,000 can you please detail the job titles and number of staff who undertook the training, where the training was delivered, who provided the training (ie university, college, external company) what the qualification achieved (if any) was and how long the training took.

If the qualification involved travel and other expenses can you also provide the costs of these too.

Thanks

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]



Extract

From: David Satti
To: Donald MacRae; Robin McGill
Cc: Alan Sutherland
Subject: WICS External Audit response
Date: 08 November 2023 20:22:16
Attachments: [WICS_2022-23_AAR_WICS_response.docx](#)

2. Scottish Government approval of expenditure

Our audit identified two items of expenditure incurred during 2022/23 that required Scottish Government which had not been obtained.

Risk: The Commission incurs expenditure that is not in accordance with applicable enactments and guidance issued by Scottish Ministers.

Management should ensure that all expenditure incurred is in accordance with the requirements of the Commission's Finance Policies and Guidelines, and the rules and guidance set out in the Scottish Public Finance Manual (SPFM). Where there is any dubiety as to whether this is the case, approval should be sought from the sponsor division prior to the expenditure being incurred.

[Issue 5 in Exhibit 3.](#)

There was an oversight on both instances which we accept and regret.

Reverting to our approvals panel should ensure that such oversights do not happen in future.

We will provide training to management and staff with respect to financial rules and expectations, particularly with respect to expenditure over £20k which isn't competitively tendered.

Separately, as mentioned above, we will work with Scottish Government officials to ensure that appropriate rules and procedures for our international activities are put in place.

Responsible officer: Alan Sutherland

Agreed date: End March 2024 and three months after the Scottish Government's prospective water bill passes Parliament

Transaction: Payment

Reconciled 28 Oct 2022 [View Details](#)

USD United States Dollar 1 GBP = 1.14134 USD

[What's this?](#)



[Options](#)

Payment Date Reference

27 Oct 2022

Contact	Inv #	Date	Due Date	Total USD	Payment Amount USD	Payment Amount GBP
Harvard Business School	SIND76646	20 Oct 2022	19 Nov 2022	86,000.00	86,000.00	75,350.02

Total 75,350.02

Cancel

History & Notes

Reconciled [redacted] 28 Oct 2022 at 9:24AM
Debit payment on 27 October 2022 for -75,350.02.

[Show History \(2 entries\)](#)

[Add Note](#)

Purchase Order to Harvard Business School

68,000.00
GBP



Source: Submitted by [REDACTED]
Organisation: Water Industry Commission For Scotland
Generated on: 2 May 2022 12:59
Requester: [REDACTED]@watercommission.co.uk

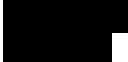
APPROVED

NOTE FOR APPROVERS

Approval form and option appraisal analysis attached

APPROVAL LOG

NAME AND EMAIL	REASON FOR BEING AN APPROVER	STEP	DECISION	DATE TIME
[REDACTED] [REDACTED]@watercommission.co.uk	Added as approver by [REDACTED] [REDACTED]@watercommission.co.uk	Budget holder approval (at least one approver should approve)	Approved	20 April 2022 09:58
[REDACTED] [REDACTED]@watercommission.co.uk	Added as a delegate for [REDACTED] [REDACTED]@watercommission.co.uk who has been added as per the approval workflow	Approval discussion (at least one approver should approve)	Approved	22 April 2022 08:38
[REDACTED] [REDACTED]@watercommission.co.uk	Approver as per the approval workflow	Purchases greater than £1000 (at least one approver should approve)	Approved	20 April 2022 09:58
Alan Sutherland [REDACTED]	Approver as per the approval workflow	Expenditure appraisal approval (all approvers should approve)	Approved	22 April 2022 09:00
David Satti [REDACTED]	Approver as per the approval workflow	Expenditure appraisal approval (all approvers should approve)	Approved	26 April 2022 14:03
[REDACTED] [REDACTED]@watercommission.co.uk	Approver as per the approval workflow	Finance review (at least one approver should approve)	Approved	22 April 2022 08:38



watercommission.co.uk

As organisation administrator

-

Forced approval

2 May 2022 12:59

To	Date	Delivery Date	PO #	Reference	Branding
Harvard Business School	19 Apr 2022	31 May 2023		M Ashford Business School	Standard

LINE ITEMS (2)

Item	Description	Qty	Unit Price	Disc %	Account	Tax	Departments	Amount GBP
	Advanced Management Programme - Michelle Ashford January -May 2023	1.00	63,000.00			No VAT (0%)	Operational Support	63,000.00
	Flights to course: Scotland to Boston, return	1.00	5,000.00			No VAT (0%)	Operational Support	5,000.00

Amounts are Tax Inclusive
 Subtotal: 68,000.00 GBP
 Includes Tax (0%): 0.00 GBP
 TOTAL: 68,000.00 GBP

FILES

- [Approval form 2 NCA - Michelle Ashford \(Exec Education Course\).docx](#)
- [Executive Education courses - option appraisal.xlsx](#)

From: [REDACTED]

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: [EXT] RE: [EXT] RE: [EXT] Journals sample 13

Date: 25 September 2023 16:45:59

Attachments: image001.png

image003.png

Harvard payment.JPG

Approval Audit Report by ApprovalMax.pdf

H [REDACTED]

I have attached a screenshot of Xero showing the payment from US Dollars to GBP so that you can see the conversion rate used.

You'll see from the attached audit report from ApprovalMax that the original approval was processed and approved in May 2022. My understanding is that approval was based on the fees for the course from the previous year, but by the time the course was booked, the fees had increased. Which is why the invoices is higher than the actual bill.

You will see from the Xero payment that the course was paid in October 2022. As there is no prepayment amount at the end of the year for this expenditure, the amount was incurred in the 22-23 financial year.

Kind regards

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]@audit-scotland.gov.uk>

Sent: Monday, September 25, 2023 2:41 PM

To: [REDACTED]@wics.scot>

Cc: [REDACTED]@wics.scot>

Subject: [EXT] RE: [EXT] RE: [EXT] Journals sample 13

Apologies [REDACTED] I just realised you had sent the invoice on at the end of last week so I must have missed this. However, is there anything you can provide showing the conversion from NZD to GBP?

Thanks

[REDACTED]

From: [REDACTED]

Sent: Monday, September 25, 2023 2:10 PM

To: [REDACTED]@wics.scot>

Cc: [REDACTED]@wics.scot>

Subject: RE: [EXT] RE: [EXT] Journals sample 13

H [REDACTED]

Thanks for sending this on.

Can you confirm if this has been accounted for as expenditure in 22/23? From a search of the 'other expenditure 22-23 sample testing' listing, it looks as though this was also reversed out of expenditure and therefore hasn't been included as 22/23 expenditure in the accounts.

I was also wondering if there is an invoice for this that you can provide? The approval form you provided is for £68k, but my sample is £76,543.10.

Regards,

[REDACTED]

From: [REDACTED]@wics.scot>

Sent: Friday, September 22, 2023 1:11 PM

To: [REDACTED]@audit-scotland.gov.uk>; [REDACTED]@wics.scot>

Subject: RE: [EXT] RE: [EXT] Journals sample 13

Hi [REDACTED]

I've attached the approval form for the expenditure.

Kind regards

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Twitter: @WICScotland LinkedIn: WICS

enquiries@wics.scot | wics.scot | scotlandontap.gov.uk

From: [REDACTED]@audit-scotland.gov.uk>

Sent: 22 September 2023 11:47

To: [REDACTED]@wics.scot>; [REDACTED]@wics.scot>

Subject: [EXT] RE: [EXT] Journals sample 13

Hi [REDACTED]

Thanks for this. Can you please confirm exactly what this relates to?

Kind regards,

[REDACTED]

From: [REDACTED]@audit-scotland.gov.uk>

Sent: Thursday, September 21, 2023 3:11 PM

To: [REDACTED]@wics.scot>; [REDACTED]@wics.scot>

Subject: [EXT] Journals sample 13

Hi [REDACTED]

Is there any additional back up you can provide in relation to sample 13 of our journals sample?

It is the payment in relation to Harvard Business School. Is there an invoice you can provide?

Thanks,

[REDACTED]

[REDACTED]

Senior Auditor

Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

[REDACTED]@audit-scotland.gov.uk

www.audit-scotland.gov.uk