



Gareth Rhys Williams
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21st March 2018

Rachel Reeves MP, Chair, Business, Energy and Industrial Strategy Committee
Rt Hon Frank Field MP, Chair, Work and Pensions Committee

**Response from Cabinet Office and Crown Commercial Service to the Pensions and
BEIS Committee Letter to Malcolm Harrison on 14th February 2018**

Dear Chairs,

Thank you for your letter to Malcolm Harrison on 14th February 2018 relating to Crown Representative engagement with Carillion. I am responding to your questions, because responsibility for the Crown Representatives falls under my remit as Government Chief Commercial Officer. Please accept my apologies for the delay in this response coming to you.

Crown Representatives are senior-level part-time contractors who typically work one day a week on behalf of the Cabinet Office. They lead on ensuring a single and strategic view of the Government's needs is communicated to the market; they identify areas for cost savings; and they act as a point of focus for cross-cutting supplier-related issues. These relationships are developed over time.

The Carillion Crown Representative had regular engagement with the company at a senior executive level, including Zafar Khan. The specific meeting referred to by Zafar Khan (Q278) was an Annual Review meeting. It was the first, and only such Annual Review meeting held with Carillion.

The Carillion Annual Review followed the same process as used with all strategic suppliers. It covered a number of topics including the supplier's commercial arrangements with Government, their latest financial position and a range of policy and governance areas. Whilst some of the information provided was in the public domain, other information was provided in confidence.

Various policy and governance topics were discussed at the Annual Review meeting, including pay equality/diversity, policy on auditors, national living wage, supply chain management, whistleblowing, and prompt payment. Carillion shared its policies on these areas. A discussion was held about the progress which the company was making in improving its performance on some of these issues. Carillion provided an update on its



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future strategy, which included continuing to bid for government contracts. The Carillion executives at this particular meeting appeared open and receptive to answering the questions posed.

Yours Sincerely,

A handwritten signature in blue ink that reads "Gareth Rhys Williams".

Gareth Rhys Williams
Government Chief Commercial Officer