



Work and Pensions Committee
Business, Energy and Industrial Strategy Committee

House of Commons, London, SW1A 0AA

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From the Chairs

Carillion: follow-up questions

26 February 2018

Dear Emma Mercer,

Thank you for coming to give evidence to our Committees on 6 February. Following on from that session, and in light of further material we have received, we would be grateful if you could respond to our questions set out below.

Minutes from the Board meetings held on 9, 15 and 23 May 2017 (appended to this letter) refer to the concerns you raised and subsequent actions that were taken.

They note that in mid-April, just six weeks after your return from Canada, you identified some issues with which you were “not comfortable” and Richard Howson asked Zafar Khan to discuss these with you. On 3 May you informed Mrs Dawson, Group HR Director, that you had concerns.

- Can you please confirm what you found when you returned to the UK that led you to raise concerns?
- Was this the “aggressive” trading of contracts you referred to in Q264-265 of your oral evidence?
- In your opinion, what had caused the issues you identified to arise?
- Were you surprised that no-one else, including the Company’s auditors, had picked up on the issues you saw just six weeks into your role in the UK? Why do you think this was the case?
- Did the information you uncovered lead to the decision for a fuller contract review, which ultimately led to the profit warning in July 2017?

At the Board meeting on 9 May, Non-Executive Director Alison Horner “noted that Mrs Mercer appeared to be a whistle-blower who did not feel she was listened to – hence her conversation with Mrs Dawson.”

- Why did you approach Mrs Dawson on 3 May after Mr Howson and Mr Khan had already heard your concerns?
- Did you consider yourself a whistle-blower?

We would welcome any further clarification or comments you wish to make in relation to the evidence you have already given us, or the minutes we have subsequently received.

We would be grateful to receive the requested information by Monday 5 March.

Best wishes and we look forward to hearing from you,

A handwritten signature in black ink, appearing to read 'Frank Field'.

Rt Hon Frank Field MP
Chair, Work and Pensions Committee

A handwritten signature in black ink, appearing to read 'Rachel Reeves'.

Rachel Reeves MP
Chair, Business, Energy and
Industrial Strategy Committee