

# **STANDARDS COMMITTEE**

Wednesday 27 October 1999  
(*Morning*)

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## STANDARDS COMMITTEE 9<sup>th</sup> Meeting

### CONVENER :

\*Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD)

### COMMITTEE MEMBERS :

\*Lord James Douglas-Hamilton (Lothians) (Con)

\*Karen Gillon (Clydesdale) (Lab)

\*Mr Adam Ingram (South of Scotland) (SNP)

\*Tricia Marwick (Mid Scotland and Fife) (SNP)

\*Des McNulty (Clydebank and Milngavie) (Lab)

\*Dr Richard Simpson (Ochil) (Lab)

\*attended

### WITNESSES :

Ms Christina Marshall (Constituency Secretary to Mr Jack McConnell)

Mr Jack McConnell (Minister for Finance)

### COMMITTEE CLERK:

Vanessa Glynn

### ASSISTANT CLERK:

Alastair Goudie

### ADVISER:

Mr Malcolm Duncan



## Scottish Parliament

### Standards Committee

*Wednesday 27 October 1999*

*(Morning)*

[THE CONVENER *opened the meeting at 09:32*]

### Evidence

**The Convener (Mr Mike Rumbles):** Good morning. Our only item of business this morning is the taking of evidence in relation to our inquiry into allegations that were reported in *The Observer*. We have invited the following people to attend and give evidence to the committee: Ms Christina Marshall, who is constituency secretary to Mr Jack McConnell MSP, and Mr McConnell himself, who is the Minister for Finance.

In order to clarify our procedure, I propose to invite the witnesses to give evidence one by one, and that the order of appearance should be as I have just suggested. Each witness will have the opportunity to make a short opening statement. One committee member will take the lead in asking questions of a particular witness. Other members are absolutely free to ask supplementary questions, as they feel appropriate. I propose that the lead in questioning individual witnesses be as follows: Karen Gillon should lead questions to Christina Marshall, and Lord James should lead questions to Mr Jack McConnell. Is everybody happy with that?

**Members indicated agreement.**

**The Convener:** We agreed at our previous meeting on Monday on the particular lines of questioning that we wished to pursue with witnesses, and that witnesses should be required to give evidence on oath or to make a solemn affirmation. I remind everybody that this morning's witnesses are here by invitation, and although I expect that they will wish to co-operate as fully as possible with our inquiry, they cannot be compelled to answer any question. Only witnesses will be able to respond to questions put by committee members. However, witnesses' advisers will be able to confer with and advise witnesses. Advisers cannot address the committee directly, unless invited to do so by me. Witnesses should therefore indicate to me if their adviser requires to address the committee, on matters of procedure, for example.

In accordance with the committee's wishes, I require the witnesses to take the oath or make an affirmation. I call Christina Marshall. May I remind you that you are required to give evidence under

oath. I understand that you wish to take the oath rather than to make an affirmation.

**Ms Christina Marshall (Constituency Secretary to Mr Jack McConnell):** Yes.

**Ms Marshall took the oath.**

**The Convener:** Before we start, Christina, could you introduce your adviser to the committee.

**Ms Marshall:** This is Mr Niall Scott from McGrigor Donald.

**The Convener:** Would you now make your opening statement.

**Ms Marshall:** I am Christina Marshall and I am 22 years old. I am the constituency secretary to Jack McConnell MSP. I left school in 1995 and attended Bell College for two years, where I obtained a higher national diploma in information and office management. On graduating, I worked in Westminster for six months in the office of my father, David Marshall, MP for Glasgow Shettleston. In 1998, I worked for three months in Washington as an intern for the *Financial Times*.

When I returned to Scotland, I was employed as assistant personal assistant to Gordon Beattie, managing director of Beattie Media. I started work with Beattie Media on 11 May 1998, and in September 1998 I was promoted to the events division of the company. While working for Beattie Media, I met Jack McConnell. Mr McConnell was the chief executive of Public Affairs Europe Ltd, a company in which Beattie Media had an interest.

I applied for the post of constituency secretary to Jack McConnell as the result of an advertisement in a local newspaper. I was interviewed for the job by both Mr McConnell and Professor Mike Donnelly. On being offered the job, I resigned from Beattie Media. I should say that at that time Gordon Beattie and Graham Isdale of Beattie Media each asked me, on separate occasions, to continue with the company. The suggestion that Beattie Media had placed me to work with Mr McConnell is wrong. I am interested in politics and preferred to take up the post of constituency secretary. I left Beattie Media on 9 July and started my new job on 19 July 1999.

I am Mr McConnell's only constituency secretary, and when I started the job I immediately set about developing appropriate office systems for constituency work. Although I have an office in Edinburgh, I work principally from the constituency office in Wishaw. My job is to deal with constituency matters, not ministerial matters. Mr McConnell has a ministerial office in Edinburgh, which sends me material relating to constituency issues. I open mail for Mr McConnell that is received in the constituency office and send any material relating to a ministerial issue to his private office.

In briefing me about my role, Mr McConnell informed me that any correspondence addressed to him in his capacity as a minister must be sent to his private ministerial office. My general understanding of how to deal with an invitation to a minister is that it should be put in writing and sent to the appropriate ministerial office. A formal reply will, in due course, be sent from that office.

From time to time, I receive invitations to Mr McConnell in his capacity as a constituency MSP. Sometimes those are in writing, but sometimes they are made very informally, by a constituent or group within the constituency. My practice is to note any such invitation in my A4 notebook and to speak to Mr McConnell about it. The normal procedure is for me then to respond in writing to the person who made the invitation.

Since leaving Beattie Media on 9 July 1999, I have spoken to Alex Barr on only two occasions: once at a social function during the summer, and again when he telephoned me one Thursday afternoon in August, while I was driving. I stopped my car to speak to Mr Barr and, after general conversation, he asked if I had access to Mr McConnell's diary. I told him that I could make arrangements relating to constituency matters that might take place on a Friday, but that any other arrangement had to go through his ministerial office.

Mr Barr, who, I know, works in public relations, told me that Beattie Media was helping to organise an event which, I understood, was to take place in the new year. He explained that the event would be a dinner to make an award to the financial person of the year. He suggested that Mr McConnell would be an appropriate person to make a speech at that dinner and that it would represent a good platform for him. I told Mr Barr that, as far as I was aware, Mr McConnell had nothing in his diary for any evening in 2000, but that I would have to find out if Mr McConnell would be interested in attending such an event. Mr Barr said that that would be great and asked me if I would do that. I indicated that I would and Mr Barr said that he would send further information in due course. He did not do that.

My understanding of my conversation with Mr Barr was that he wished me to find out whether Mr McConnell would be interested in speaking at the event. I did not regard that as an invitation. I took a brief note of the call on a piece of paper in the car. I did not at any point inform Mr Barr that Mr McConnell would attend the event.

On the day after the telephone conversation with Mr Barr, I took a note of the event in the forward planner of the calendar at the back of the 1999 desk diary. It was never entered into Mr McConnell's diary nor referred to in any notebook. Mr McConnell was in Wishaw that day and I told

him about my conversation with Mr Barr. Mr McConnell indicated that I need not bother responding to the informal approach that Mr Barr had made unless an invitation was received in writing. Mr McConnell also indicated that he was unlikely to accept any invitation should he receive one.

I have had no further contact with anyone from Beattie Media in relation to the proposed event. After I spoke to Mr McConnell I Tipp-Exed over the entry in the forward planner. The brief note that I had made of my telephone conversation with Mr Barr was on a piece of paper. Once I had placed a note in the forward planner, I disposed of the piece of paper, as is my practice.

I keep an A4 notebook in which I record matters on which I am working. Previously, I used shorthand notebooks. Once shorthand notebooks were full, I would go through them and note down in new books items that remained outstanding. The old books were then routinely destroyed. The shorthand notebook that I had around the time of my conversation with Mr Barr was destroyed approximately two to three weeks before *The Observer* story was first published. In any event, it did not contain any entry relating to my conversation with Mr Barr or the event to which he refers.

Mr Nelson of *The Observer* called me on 24 September and asked me a number of questions. In particular, he asked if I could confirm that Mr McConnell would be speaking at the finance person of the year dinner. I said no. I told him that the event had only been pencilled in for Mr McConnell's consideration. Mr Nelson said that he had been speaking to Mr Barr, who had said that it had been confirmed that Mr McConnell would be the speaker. I told Mr Nelson that Mr McConnell was not aware of that. By that I meant that, as Mr McConnell had never received an invitation to attend the event, he could not have confirmed that he would be the speaker.

I am proud of, and value very much, my job as constituency secretary to Mr McConnell. I hope that this statement is helpful. I am pleased to answer any relevant questions.

**The Convener:** Thank you very much, Ms Marshall. Before we start questioning I would like to say that we have to remember for everyone's benefit that your conduct is not a matter for this committee. The purpose of this investigation is to examine the conduct of MSPs and that is what we are focusing on. The questions to you this morning are to help us to establish the facts.

Karen, would you like to start.

**Karen Gillon (Clydesdale) (Lab):** Thanks for your statement, Christina. It certainly clears up a number of questions that the committee had about

general office procedure, so I will not have to ask you them.

One of the accusations that has been made by the newspaper—it was substantiated, if you like, by Mr Barr—was that Beattie Media had undue contact with Mr McConnell because you worked for him. Could you detail for us what verbal, written or e-mail contact you have had with Beattie Media, apart from the conversation that you have told us about?

**Ms Marshall:** I have had contact with Beattie Media on business matters on four occasions. One was the conversation with Mr Barr. Another was an invitation from a junior member of staff for Mr McConnell to attend a football game. That was on behalf of the Scottish Premier League. I then obtained the telephone number of the girl at the SPL and telephoned her to follow up the invitation. All other communication was between the SPL and me.

On one occasion I received a call from a public relations accounts executive at Beattie Media, who was aware that Mr McConnell was visiting Motherwell College, which is in his constituency. I was asked whether Mr McConnell would like publicity for that meeting. I informed the executive that it was a private, closed-door meeting, that no third party was involved and that it was not appropriate for any representative of Beattie Media to be there.

Another occasion was a personal invitation from a director of the company for Mr McConnell and me to attend a staff barbecue during the summer. Mr McConnell declined the invitation and I went for about an hour on the evening.

I also keep regular contact with junior members of staff at Beattie Media on a personal basis.

**Karen Gillon:** So you do not keep any e-mail or written contact with them, except in relation to those specific events?

**Ms Marshall:** Not in relation to Mr McConnell; only on a personal basis.

09:45

**Karen Gillon:** Thank you very much. Does anyone else have any questions on that?

Let us move on to the invitation to the finance director of the year award. When were you first contacted by Alex Barr about that invitation?

**Ms Marshall:** When was I first contacted?

**Karen Gillon:** Yes.

**Ms Marshall:** It was some time in August. I am not sure of the date.

**Karen Gillon:** Did he phone you on your

mobile?

**Ms Marshall:** Yes.

**Karen Gillon:** And you were in the car when you spoke to him?

**Ms Marshall:** Yes.

**Karen Gillon:** Obviously, there is some dubiety about where the conversation took place. You were in your car using a mobile, not in the constituency office.

**Ms Marshall:** And I did not have any correspondence relating to Mr McConnell with me.

**Karen Gillon:** This is a pertinent point so, just for clarification, can you take us again through exactly what you said to Mr Barr and say what commitment, if any, you gave him?

**Ms Marshall:** Mr Barr phoned. He asked how I was and whether I was enjoying the job and I said yes. He then asked if I had access to Mr McConnell's diary. I told him that I could be involved in arranging local constituency matters on Fridays but that anything else would have to go through his private ministerial office in Edinburgh.

Mr Barr then explained that he was involved in the organisation of a finance person of the year dinner and he thought that it would be appropriate for Mr McConnell to be the key speaker at the event as it would be good publicity for him as Minister for Finance. He asked me if I knew whether Mr McConnell's diary was free and I said that I knew that he did not have any evening engagements in 2000 to the best of my knowledge, but that I would have to find out whether he would be interested in such an event were he to be invited.

Mr Barr then asked if I would put it to Mr McConnell for his consideration and I said that I would. That was the only commitment that I gave—that I would ask Mr McConnell whether or not he would be interested in attending. In no way did I indicate that he would be there.

**Karen Gillon:** The committee has to be clear about this. According to the *Official Report* for Friday 8 October, Mr Barr said, when I pursued him on the matter, that you had told him:

"I will pencil it in. If you have not heard back from me in a couple of days, then you can consider it confirmed."

Are you saying that that is not what you said and that Mr Barr lied to this committee under oath?

**Ms Marshall:** That is not what I said. I cannot comment on Mr Barr's activities. I have given you my recollection of the conversation.

**Karen Gillon:** So at no point did you give, in your opinion, any commitment to Mr Barr using words to the effect of:

"If you have not heard back from me in a couple of days, then you can consider it confirmed."

**Ms Marshall:** I never said that.

**Karen Gillon:** Thank you.

**Tricia Marwick (Mid Scotland and Fife) (SNP):** Good morning, Christina. On that particular point, when we interviewed Alex Barr and other people from Beattie Media, they said under oath that they did not have undue influence on ministers and they denied a lot of what was in the transcripts from *The Observer*. The only point that they were absolutely determined on and the only point that they really held on to concerned your conversation relating to the Minister for Finance, his diary and the engagement. The people from Beattie Media continued to assert that you made the statement:

"I will pencil it in. If you have not heard back from me in a couple of days, then you can consider it confirmed."—[*Official Report, Standards Committee*, 8 October 1999; c 123.]

Are you saying categorically that that was not how the conversation went?

**Ms Marshall:** That was not my understanding of the conversation.

**Tricia Marwick:** You said, in the information that you gave us this morning, that you wrote on a piece of paper in the car and then went back to the office and put it in the constituency diary forward planner. It seems quite strange to put an event for 25 February in the diary for 25 January. Why did you do that? I accept that that date is a month in advance, but why was nothing recorded for the date of the event itself? All that we have seen in the diary that we examined is a Tipp-Exed entry relating to Alex's dinner, which is not in the diary for that date.

**Ms Marshall:** The date that I had in my mind for the event was 25 January. I was not aware of the 25 February until Dean Nelson asked me about it on the telephone. That is why the note is in January; nothing was ever put down for February.

**Karen Gillon:** Just to clarify that, you put it in the diary for 25 January 2000, because that is when you thought that the event was taking place and you wrote in Alex's diary that you were going to speak to Mr McConnell.

**Ms Marshall:** That was a personal reminder.

**Karen Gillon:** When exactly did you tell Jack McConnell?

**Ms Marshall:** The day after the conversation, the Friday.

**Karen Gillon:** Do you know roughly when that was?

**Ms Marshall:** I think that it was some time near the middle to the end of August. I do not know the

exact date.

**Karen Gillon:** You spoke to Jack at that point. What did Jack tell you to do?

**Ms Marshall:** He said that I should not respond to the informal inquiry and that I should wait and see whether an invitation was sent. If an invitation arrived, he said that I should forward it to his ministerial office.

**Karen Gillon:** I will come back to that, but there are a couple of other things that I would like to ask.

You talked about the conversation with Dean Nelson on 24 September. He has told us that you said that you

"had pencilled it into the minister's diary for him to consider"—[*Official Report, Standards Committee*, 8 October 1999; c 106.]

but that the minister was not aware of it yet.

As far as we are concerned, that is a strange thing to say, because you have now told us that you told the minister in August, although you told Dean Nelson in September that the minister was not aware of it. You have said a wee bit in your statement, but I think that this is an important point. There is some discrepancy.

**Ms Marshall:** When Mr Nelson telephoned, he asked if I could confirm whether Mr McConnell would be the speaker at the event. I said that it had been put forward for his consideration and that was all. Mr Nelson then said that he had spoken to Mr Barr, who had confirmed that Mr McConnell would be the speaker. I said that Mr McConnell was not aware of that, meaning that he had not confirmed that he would be the speaker. That was the first we had heard about confirmation.

**Karen Gillon:** When you said that the minister was not aware of it, did you mean that he was not aware that he had been confirmed as the speaker at the dinner?

**Ms Marshall:** It was in relation to Mr Nelson's question as to whether it was confirmed. I said no, as Mr McConnell was not aware that he was the confirmed speaker.

**Karen Gillon:** Again, that is slightly different from what Dean Nelson, under oath, said to the committee. That is something that we should consider, convener.

You are obviously quite meticulous in taking notes, and we have seen your notebook for this year. Why, having had an important—having been a constituency secretary myself, I would regard it as important—conversation with a fairly major journalist, who was making quite serious allegations about a minister, did you make no note



of it in your notebook?

**Ms Marshall:** No note of the conversation with Mr Nelson? The conversation was typed up afterwards on a separate piece of paper.

**Karen Gillon:** So there is nothing in the notebook?

**Ms Marshall:** No, there would not be, because it was to me that Dean Nelson spoke. Anything that I record in the hard copy of Mr McConnell's diary relates to Mr McConnell.

**Karen Gillon:** No, I am not talking about the diary, I am referring to the notebook, which our special adviser has, which relates to 13 October onwards.

**The Convener:** No, it is 2 September.

**Karen Gillon:** Sorry, September. I keep getting September and October mixed up.

There is nothing about the conversation with Dean Nelson in the notebook and that is something that we find a wee bit strange.

**Ms Marshall:** When Mr Nelson phoned, the conversation was totally out of the blue. I did not expect to speak to him and I was not aware of what was going on. Afterwards, I was confused and I wanted to know what was happening. Allegations had been made—as you said, serious ones—on the telephone and I immediately typed up my conversation with Mr Nelson.

**Karen Gillon:** Has that been destroyed?

**Ms Marshall:** No.

**Karen Gillon:** Do you still have that record of the conversation?

**Ms Marshall:** Yes.

**Tricia Marwick:** Will you make that typescript available to the committee?

**Ms Marshall:** Certainly.

**Dr Richard Simpson (Ochil) (Lab):** I want to ask—I do not know whether Karen has dealt with the issue—when you Tipp-Exed out the entry.

**Ms Marshall:** After Mr McConnell told me that I was not to follow up the inquiry?

**Dr Simpson:** Right.

**Ms Marshall:** The note was no longer relevant.

**Dr Simpson:** So that was on the day—

**Ms Marshall:** That was on the Friday.

**Dr Simpson:** That was on the day that you first mentioned the conversation to Mr McConnell.

**Ms Marshall:** Yes.

**Dr Simpson:** At that point, he said, "You don't

need to follow it up, so you can Tipp-Ex it out".

**Ms Marshall:** Yes. I clean up my diary on a Friday as I have a new copy of Mr McConnell's diary faxed through from the private office. I go through my diary and make any alterations that are necessary. I was doing that—the note was no longer relevant, so I Tipp-Exed it out.

**Dr Simpson:** So that tidying up would be standard procedure?

**Ms Marshall:** Yes.

**Dr Simpson:** Thank you.

**Karen Gillon:** Is it also standard procedure to type up records of telephone conversations?

**Ms Marshall:** No, it is not. I thought that, given the nature of this telephone conversation, it was important that a record be kept.

**Karen Gillon:** Did you then phone Mr McConnell, to speak to him about the telephone conversation that you had had with Dean Nelson?

**Ms Marshall:** Mr McConnell had phoned the office earlier and told me that he was on his way into the office. He was in, I imagine, the ministerial car. I do not have the telephone numbers for that.

**Karen Gillon:** So you talked to him about the telephone conversation with Dean Nelson as soon as he came into the office?

**Ms Marshall:** Yes.

**Karen Gillon:** I have a couple of other points.

Mr McConnell told you not to do anything about the situation until you received an official invite.

**Ms Marshall:** Yes. I was to send it to the ministerial office.

**Karen Gillon:** There is something that puzzles me. Why did you not phone Alex Barr to tell him that? By all accounts, you said that you would look into it. By all accounts, this was the first major event that someone who was your former employer—and Mr McConnell's former employer—had asked Mr McConnell to participate in. We are a bit puzzled about why you did not get back to that person to say, "Sorry, you need to send an official invitation".

**Ms Marshall:** Alex Barr told me that he would send further documentation and Mr McConnell told me not to follow up the telephone conversation.

**Karen Gillon:** Okay. I want to get this clear. You did not believe that you had given any commitment to Alex Barr in relation to this invitation.

**Ms Marshall:** That is correct.

**Karen Gillon:** You thought that Alex Barr was going to send you something in the post.

**Ms Marshall:** In writing.

**Karen Gillon:** Until Mr McConnell received that, you were not prepared to consider it. However, you did not phone Mr Barr to say, "Look, you need to send this in because Jack's diary is quite busy

and it will fill up quite quickly"?

**Ms Marshall:** No, because in my mind, something was already in the process of being typewritten and sent to us. I was informed not to follow up the telephone conversation.

**Karen Gillon:** You never bothered to do that. You never followed it up.

**Ms Marshall:** I never followed it up. I made no attempt to contact Mr Barr.

**Karen Gillon:** Because Mr McConnell had told you that—

**Ms Marshall:** He told me not to.

**Karen Gillon:** He told you not to and that he was

"unlikely to accept any invitation should he receive one".

**Ms Marshall** *indicated agreement.*

**The Convener:** Have you finished, Karen? Do you have any other questions?

**Karen Gillon:** Just to clarify that you never, ever made any note in your notebook about this invitation.

**Ms Marshall:** The only note that was ever taken in any book was the note in the back of the forward planner—the provisional note to speak to Mr McConnell about the invitation.

**Tricia Marwick:** I have one question about the notebook. Was it routine procedure to destroy notebooks once they were filled up?

**Ms Marshall:** Yes, that has been my routine procedure in the past.

**Tricia Marwick:** Was this particular notebook filled before it was destroyed?

**Ms Marshall:** Yes, it was. I would not destroy a notebook unless it was completed. Any information in it that was still active would be transferred to the new notebook so that I had a record of it, as it was still on-going.

**Tricia Marwick:** Therefore, there was nothing in that notebook that you considered current or on-going and it was your routine procedure to destroy notebooks?

**Ms Marshall:** Yes, it has been my routine procedure to destroy them.

**Karen Gillon:** There was considerable press speculation about this notebook and I want to clarify the point, so that I am clear about what

happened. If something was in the notebook that had to be carried over, was it routine procedure that that would have been transcribed into the new notebook?

**Ms Marshall:** Yes, that was routine procedure.

**Karen Gillon:** I do not want to know about specific cases, but if a constituent was to phone you up with confidential and life-threatening information, would you write that somewhere else and destroy the notebook?

**Ms Marshall:** A rough note would be taken in the notebook, and it would then be shown to Mr McConnell, who would advise me on what he wanted the official documentation to say. That would be typed up and sent to the appropriate external body, be it the police or the council. The rough note would be destroyed, but anything—any documentation—containing factual evidence would be put in a file, which would be kept under lock and key.

**Karen Gillon:** So, if anything of that nature had been in the previous notebook, it would be kept by Mr McConnell in an appropriate place.

**Ms Marshall:** The official letter sent out, containing the information, would be, but rough notes would be destroyed.

10:00

**Tricia Marwick:** Would the rough notes have been destroyed when you completed the official documentation?

**Ms Marshall:** The rough notes would be destroyed when the notebook was destroyed—once it was completed.

**Tricia Marwick:** So, this confidential material, in rough note form, would be retained in the notebook until such time as the notebook was destroyed?

**Ms Marshall:** That can be seen from the A4 notebook, which I believe the external adviser has. There is information in it which is confidential, but it will remain there until the notebook is completed, and it will be destroyed. The notebook is kept locked in my top drawer, in my desk.

**Tricia Marwick:** Can I be clear about this, Christina? If material of a confidential nature was put into the notebook, would that be rough notes only?

**Ms Marshall:** Yes.

**Tricia Marwick:** After that, you would speak to Mr McConnell about it, go away and type up the documentation?

**Ms Marshall:** Yes.

**Tricia Marwick:** If the material was so highly

confidential, would it not make more sense to destroy that specific information at that time, rather than leave it lying around in a notebook, along with other, more mundane stuff?

**Ms Marshall:** It has never been the team procedure to rip pages out of notebooks.

**The Convener:** Are there any more questions?

I have one question, Christina. I come back to one matter—you have answered this point, but I want absolute clarification, because it is such an important one. Alex Barr, on several occasions—not just once—in his evidence to us on 8 October, made it quite clear that in the conversation that he had with you, he understood that he should “consider it confirmed”. I quote one of the times when he made the point, that

“in the conversation I had with Christina she told me that I should consider it confirmed unless I heard back from her, which I did not.”

He then goes on to compliment you. He says:

“I know her to be reliable and meticulous, and I am sure that she would have called me back had there been any dubiety.”—[*Official Report, Standards Committee*, 8 October 1999; c 125.]

I want to clarify this again, because we have such clear evidence from Alex Barr, in whose opinion that was the case. Could you comment on his statement—his being so clear in his understanding of that conversation? Your understanding of it is completely different from his. Can I confirm that with you?

**Ms Marshall:** My version is different from Mr Barr's: I can confirm that. I have given you my recollection of the conversation with Mr Barr. I never on any occasion gave him any indication that Mr McConnell would attend the event.

**The Convener:** Thank you, Ms Marshall.

**Lord James Douglas-Hamilton (Lothians) (Con):** I wish to ask one question—I think that you have already answered it, Ms Marshall. I believe that I am correct in thinking that on 19 July, you started work for Jack McConnell.

**Ms Marshall:** Yes.

**Lord James Douglas-Hamilton:** From that date on, you were not in any way employed by Beattie Media.

**Ms Marshall:** I have never been employed in any way by Beattie Media.

**Dr Simpson:** Would this be the procedure: if someone rang up requesting Mr McConnell's attendance, or suggesting that it might be interesting for Mr McConnell to attend a particular meeting, conference, dinner or whatever, would you normally pencil that into the diary at that time? Would you respond in the way that has been

suggested?

**Ms Marshall:** I have never before been approached in person by anyone to ask whether Mr McConnell would be interested in attending an event without an invitation. This was the first occasion on which anything like that had ever arisen.

**Karen Gillon:** You say in your evidence, Christina, that you receive informal invites from constituency groups. I take it that, in what you have just said, you are referring to Mr McConnell's ministerial role. You say in your evidence that you get informal invites from constituency groups all the time.

**Ms Marshall:** People come into the office. If it is a local organisation, they will ask whether Mr McConnell, when he is in the office on Friday, could come along, for example, to the Scottish Women's Aid project, and pay them a visit. What I ask them to do is drop a note to the office, or I write them a letter back. I would speak to Mr McConnell about it. I have never been asked before whether in principle he would consider attending an event.

**Karen Gillon:** You said that you would have picked up the phone or dropped those people a letter. You did not think that you should do that with Alex Barr. There is no way that you thought that you were under any obligation to get back to Beattie Media, your former employer, about the invitation.

**Ms Marshall:** It was clear in my mind that they would send written information to us. I was informed by Mr McConnell not to follow this up in any way until we received the information which we both thought was in the process of being sent to us.

**Des McNulty (Clydebank and Milngavie) (Lab):** I have one question on the notebooks that were shredded or destroyed. You said earlier, Ms Marshall, that you had been dealing with shorthand notebooks—the floppy ones. The one that you are now operating with is a hardback notebook. Is that correct?

**Ms Marshall:** That is correct.

**Des McNulty:** Why did you switch from one type to the other?

**Ms Marshall:** When I started working for Mr McConnell, I did not have any stationery—there was nothing in the office. The office is shared with Mr Roy. There was a shorthand notebook, which was made available for my use until stationery was allocated.

**The Convener:** Are there any other questions?

Christina, thank you for attending this morning and answering our questions. I ask you to remain

in the room during Mr McConnell's evidence.

I suggest a suspension for 30 minutes so that committee members can consult our advisers before we proceed. Are we happy with that?

**Members indicated agreement.**

10:06

*Meeting suspended.*

10:37

*On resuming—*

**The Convener:** I call Mr Jack McConnell. I remind you, Mr McConnell, that you are required to give evidence under oath. I understand that you wish to make a solemn affirmation.

**The Minister for Finance (Mr Jack McConnell)** made a solemn affirmation.

**The Convener:** Do you have an opening statement to make?

**Mr McConnell:** Yes, I do. I am pleased to be here today to rebut the unfounded allegations that have been repeated frequently over recent weeks. Within hours of hearing of those false claims, I referred the matter to the Standards Committee, because I firmly believed that the allegations should be investigated openly by the committee. I welcome this opportunity to lay the facts before you.

There are three main issues of concern. The first is that, as a former employee of a public affairs firm who became an MSP and a minister, I was somehow open to undue influence. I worked for Public Affairs Europe Ltd, a firm jointly owned by Maclay Murray & Spens and Beattie Media, for less than nine months. I have been in public service for more than a decade. As a result of my previous experience as a councillor and as a leader of a local authority, I am acutely aware of the need to organise my official responsibilities in a proper and responsible manner. As members of the committee will know, as a minister I am bound by the Scottish ministerial code. It sets out the highest standards of conduct expected of ministers. Ministers are required to ensure that no conflict arises between their public duties and their private interests, and they must keep separate their roles as minister and as constituency member.

I welcome this opportunity to give my categorical assurance to you that I have never at any stage breached that ministerial code. There is no evidence to suggest that I have ever been—or would be—improperly influenced in conducting my ministerial duties. Indeed, I have a clear procedure that explicitly prevents that in all meetings with

outside bodies, either as an MSP or as a minister.

The second issue concerns the appointment of Christina Marshall as my constituency assistant. It has been suggested that she was employed because she used to work for Beattie Media. That is not true. When I was elected as the MSP for Motherwell and Wishaw on 6 May 1999, it was the proudest day of my life. Those who elected me are my first and most important responsibility. I wanted to have an effective constituency office and I needed a professional constituency assistant. The post was advertised openly in the local press. All applications went through a normal shortlisting process and six candidates were interviewed for the job. Professor Mike Donnelly, professor of management at the University of Paisley, assisted me at the interviews. Christina Marshall was the best candidate. She was selected entirely on merit—any suggestion to the contrary is simply not true.

Since then, with Christina's help, I have run a busy parliamentary advice centre. While—as is normal practice—my constituency office and my ministerial office are in regular contact, they operate professionally to ensure a proper separation of roles. That means that my ministerial private office does not respond to invitations that are issued to me as an MSP and my constituency office does not respond to invitations that are sent to me as a minister.

The third false claim is that Beattie Media was able to place an appointment in my diary. That is not true. My ministerial private office holds my diary on computer. I have only one diary, which is the sole authoritative record of engagements. As is normal practice, it incorporates all appointments: ministerial, constituency and personal. To avoid confusion, my constituency assistant copies that information into a desk diary. Both the computer original and the constituency copy contain provisional entries—which are marked as such—pending my decision whether to accept them. The desk copy is corrected and updated as the computer diary changes. That is standard practice to avoid double bookings.

Much comment has been attracted by the claim that on the basis of a telephone inquiry to my constituency office, Beattie Media was able to commit me to attending an event—described as the financial director of the year award—in February 2000. The truth is that at no time did my constituency assistant commit me—even provisionally—to attending that engagement. She recalls making a brief note of the inquiry in the year planner at the back of her desk diary for 1999, which she later discussed with me. No reference to the event ever appeared in any other office notebook or file.

Again, as is routine, I told Christina that if I

received a written invitation, I would consider whether to attend the event. If that had been the case, my ministerial private office would have followed standard practice and sought advice from the relevant department. No invitation was received, the matter stopped there, and at that point the note was erased from the year planner.

Finally, there is a consistent suggestion that I have had regular or improper contact with Beattie Media. That is not true. Since I was elected, Gordon Beattie has spoken to me only twice: the first time was to congratulate me on my being elected and the second was to inform me of the illness of a mutual acquaintance. I have had no contact whatsoever with Kevin Reid or Alex Barr.

In conclusion, I repeat that I have never been open to undue influence arising from my former employment. The appointment of Christina Marshall as my constituency assistant was carried out in an open, fair and professional way. Beattie Media did not—and would never be able to—place an appointment in my diary.

You are—like me—members of this Parliament. We are here to serve those who elected us. I have not acted and will never act in any way that lets down the people of Motherwell and Wishaw. I have not acted and will never act in any way that would damage the reputation of the Parliament, or the ministerial office that I am privileged to hold. That reputation must be upheld; I recognise your role in that, which is why I have been happy to appear under oath today to tell the truth. Openness and integrity must remain the hallmarks of public office—you are charged with ensuring that that is the case. I wish you well and I will be pleased to answer any questions that you may have.

**The Convener:** Before we start the questions, I would like to thank you for that opening statement and your willingness to come before the committee to air all those issues.

**Lord James Douglas-Hamilton:** First, I would like to thank you both for your letter of 14 October and for the statement, which may cover some of the questions that I wish to ask. It would be useful to clarify the facts with you.

What steps did you take to distance yourself from Beattie Media after the election and your appointment as minister?

10:45

**Mr McConnell:** It would be useful if I talked about what I did 11 months ago, rather than six. From the moment that I was selected as a candidate for the Labour party, I began to put distance between myself and both Beattie Media and Maclay Murray & Spens, which had also been

my employer.

I resigned from my position with Beattie Media and Maclay Murray & Spens the day after I was selected as a Labour party candidate—23 November 1998—and, since the election, I have been careful not to have direct contact with any public relations or public affairs firms, including Beattie Media. I have a strict procedure in both my offices to ensure that.

**Lord James Douglas-Hamilton:** In your statement, you said that you had spoken to Gordon Beattie twice since the election. In his evidence, he said that he had spoken to you three times:

“I have spoken to Jack McConnell on two occasions: the first time to congratulate him on his appointment, the second on a personal matter regarding someone who had an illness. There was one other occasion when we came into contact. We met at an Arts and Business event in Edinburgh.”—[*Official Report, Standards Committee*, 8 October 1999; c 156.]

Whether you spoke to him two times or three times, each occasion was purely social, was it not?

**Mr McConnell:** Two were informal, non-business, phone calls. I do not recall the other occasion, but my wife remembered it after I read the *Official Report* of the committee meeting. I cannot say that I remember the meeting, which was obviously a fleeting one.

**Lord James Douglas-Hamilton:** One or two points arise out of the transcript of the video that was filmed by subterfuge.

On page 2, Alex Barr said:

“Prior to the election, we appointed Jack McConnell . . . in the certain knowledge that Jack would get a safe seat from the Labour party and in the hope and expectation that he would also get a cabinet position within the new administration.”

When you were asked to work for the joint venture in which Beattie Media was involved, did you have any reason to believe that it might have an interested purpose in asking you?

**Mr McConnell:** It was clear, from the first approach to me by Gordon Beattie and the managing partner of Maclay Murray & Spens, that they were not suggesting that I should act improperly in the job or that their offer was linked to any future employment that I might have. It would have suited them better if I did not intend to become a candidate. I think that they would have preferred to have a chief executive who was more likely to stay with them for a longer time. However, I made it a condition of my employment that I would be able, during the summer and autumn of 1998, to seek selection as a Labour party candidate. They agreed to that. The condition was suggested by me but regretted by them, even at

an early stage.

**Tricia Marwick:** Mr McConnell, you said earlier that you had taken great pains to put distance between yourself and Beattie Media once you were selected as a candidate. However, you have just told us that you sought permission to pursue the selection process as a condition of your employment. You were already an approved candidate by the time you went to Beattie Media—

**Mr McConnell:** No. I was interviewed by the Labour party's selection panel in April 1998, I think. I accepted the offer of a job with Public Affairs Europe about three days before the Scottish Labour party conference in March 1998. The outcome of the selection interviews was not confirmed until the second week of June, which was after I had left my position as general secretary of the Scottish Labour party.

**Tricia Marwick:** So you were actively pursuing the possibility of being a candidate at that time?

**Mr McConnell:** Yes.

**Tricia Marwick:** As part of your employment contract, you had to secure permission to seek selection. Do you think, with hindsight, that that was wise?

**Mr McConnell:** Hindsight is a wonderful thing. I do not regret the job that I did for those six or seven months in 1998, nor do I have any difficulty with anything I did in that position. I never, at any time—as I have stated before—carried out any activities that could be described as having to do with access to politicians or to confidential political information.

In fact, the only politician's office that I was ever successful in telephoning on behalf of either Beattie Media or Maclay Murray & Spens was Mr Salmond's constituency office, for an event for Maclay Murray & Spens. That office was very helpful on that occasion. However, I have no reservations about doing that.

Obviously, given what has happened over the past four weeks, I have wished on many occasions during that time that that job had never existed or that I had been doing something else last year. However, I do not regret the position that I took on, nor do I regret anything that I did when I was in that position.

**Tricia Marwick:** I want to ask a further question at this point. You say that you have not had regular contact with Beattie Media. However, your constituency secretary, Christina Marshall, said that, since she took up her appointment in July, there had been four official approaches from Beattie Media. What would you consider to be regular contact with your office or yourself?

**Mr McConnell:** I think that it is important to

differentiate between the two. *The Observer's* original claim on 26 September was that—presumably by implication—not just Kevin Reid and Alex Barr but other members of staff at Beattie Media were in regular contact with me. They have subsequently made it clear that that was not the case. Before *The Observer* even printed the story, I made it clear that that was not the case, and I have confirmed that again today. I personally have not had that regular contact with the company.

I think that my constituency secretary Ms Marshall has made very clear the very professional way in which she handled the four approaches from Beattie Media staff in her position in my office. That was right and proper, and I am delighted to hear her confirming that this morning.

**Tricia Marwick:** But four official approaches in two months suggests to me that there is regular contact.

**Mr McConnell:** I would not describe that as regular contact compared with the level of contact that I have with many other organisations. I can think of a variety of organisations—for example, Scottish Financial Enterprise—that I and both my ministerial office and my constituency office in their different capacities have spoken to or received correspondence from on perhaps 15, 16, 17 or 18 occasions over the summer. In terms of the level of contact that I have with other bodies, I do not find that unusual.

It is also important to remember that Beattie Media, as a public relations company, is very active in the Lanarkshire area, part of which I represent in the Parliament. However, it is appropriate to note—in front of the committee and on oath—that bodies such as the Lanarkshire Development Agency which use Beattie Media as a public relations firm contact MSPs in the Lanarkshire area directly. They do not go through Beattie Media. I would not describe four approaches as regular contact. It would be possible for other people who are active in Lanarkshire—probably not politicians, but others—to have much more regular contact with Beattie Media because of the level of their involvement in that area. Everything has to be seen in context.

As I have made absolutely clear, I, as an individual, have not been in regular contact with the company. The only direct business contact between Beattie Media and me in the whole of the past six months has been a letter that I received from one of the company's account managers on the PR side, inviting me to visit Motherwell College. I have provided the full file of that correspondence to the committee's independent adviser. That approach was accepted as a constituency MSP, not as a minister, and a date

was arranged. However, as I think Ms Marshall made clear this morning, Beattie Media was excluded from the meeting and from any arrangements for the meeting. The meeting itself actually concentrated on a number of important surgery cases that have been raised with me by students in the college rather than on any matters of policy or procedure.

The fact that that is the only direct business contact between anybody from Beattie Media and me in the past six months shows that there is no regular contact. I am very conscious of the importance of that. I did not resign from my job on 23 November last year lightly. I knew exactly what I was doing. It was very important that, as a potential member of this Parliament, I was operating to the highest standards possible. I did so in advance of the election, and I have done so since the election. I think that there have been very clear signals to all public relations and public affairs companies that I operate to those standards. I can assure you that those who were corresponding with me over the summer have reduced in number as the months have gone by.

**Karen Gillon:** Have you e-mailed anybody at Beattie Media since the election?

**Mr McConnell:** Not since the election, but I did after I left the company. I had friendships with one or two individuals who worked there—junior members of staff rather than partners or account managers. We kept in contact—or, I suppose, they kept in contact with me, rather than my keeping in contact with them. But I would get e-mails from them occasionally to wish me well, or to keep me up to date with news or gossip about what was happening to others we knew. But I have never had any electronic communication from Beattie Media of an official nature at all.

**Karen Gillon:** Since you resigned from Beattie Media, have you had any other formal contact—in terms of your constituency Labour party—with the company?

**Mr McConnell:** Do you mean me as a candidate, or the constituency party as a body?

**Karen Gillon:** The constituency party as a body, in particular.

**Mr McConnell:** I do not know whether there has been any formal contact. I would imagine that there would have been contact between the constituency party and Beattie Media in the course of the winter last year, when the constituency party, without my involvement, organised a fund-raising dinner. A number of local companies took tables at that dinner, and I think that people from Beattie Media may have been there. However, that was a matter for the constituency party and not for me.

**Karen Gillon:** I wanted to ask you about your contact with *The Observer*, to tidy things up. Having read the transcript, you will probably know that your pager number was the subject of considerable interest from Alex Barr. On 8 October, I asked both Alex Barr and Kevin Reid about your pager number. They gave me different numbers, neither of which was your current pager number. However, I was interested in the notes that Dean Nelson gave us. You volunteered to Dean Nelson on 25 September that you found it interesting that Kevin Reid and Alex Barr did not have your new pager number. How did you know that they did not have your new pager number?

**Mr McConnell:** I do not recall that part of the transcript.

**Karen Gillon:** An e-mail from Dean Nelson states:

“Alec Barr and Kevin Reid have never phoned me at home. Kevin Reid was in charge of pagers. He may have organised my pager. Interesting that they do not know my new number.”

It goes on to give your new number, which I will not read out.

**Mr McConnell:** I am sorry—I have never seen the notes of Mr Nelson’s conversations with Ms Marshall, me or anyone else over the past four or five weeks. Given the fairly selective way in which they have been quoted from time to time, I look forward to seeing them at some stage, to ensure that they are clear and accurate. We have already heard—and I heard sitting in the gallery this morning—of one case in which it was important to clarify a phrase that he had taken from a conversation without giving a full explanation of it.

**Karen Gillon:** Can you clarify that?

**Mr McConnell:** I can certainly clarify that point. The point that I was making to Mr Nelson at that point in the conversation was that I thought that it would be interesting for him that I had a new pager number and that neither Kevin Reid nor Alex Barr had that pager number. That was me illustrating the point that they were not in contact with me. I was trying to get over to him—I suspect, on the day, unsuccessfully—that we were not in contact, and I was trying to reinforce that fact to him before he printed his story.

**Karen Gillon:** Did you decide to get a new pager number because you did not want Alex Barr, Kevin Reid and Dean Nelson to know that they had your number, or was it routine for the Labour party group, of which you were a part, to have new pager numbers?

**Mr McConnell:** Neither Alex Barr nor Kevin Reid used my pager number, my mobile phone number, my home number, my work number or my constituency office number—any of those

numbers—from the day that I was elected. To be frank, I had not thought about either of them until all this happened and I certainly would not have used either of them as a reason to change any of my phone numbers. I can think of other people who phone me regularly who might give me that reason, but the pager number was changed as a result of the Labour party group in the Parliament deciding to move to a new pager system. At that stage, my pager number was changed; that was the sole reason for that to happen.

Perhaps I should say at this stage, publicly and on the record of the committee, that I intend to change my mobile telephone number because the advertisement of that number at a recent committee meeting has provoked a few interesting telephone calls.

11:00

**Karen Gillon:** I apologise for that.

**Mr McConnell:** That is all right.

**Tricia Marwick:** On the subject of telephone numbers, our adviser looked at Alex Barr's contact book. It contained three telephone numbers for you, one of which was for your constituency office. Ms Marshall took up her position as your constituency secretary on 19 July. Presumably the constituency office was set up after May—

**Mr McConnell:** This is a very important point. I cannot be absolutely certain of the clarity of the previous relationship—that is the wrong word, I should say knowledge of each other. I share a constituency office with Frank Roy, the MP for Motherwell and Wishaw. I think Frank Roy and Alex Barr went to school together; they certainly grew up in the same area, so they know each other. They are not in regular contact either, I can assure you, but as Frank Roy is an MP for a Lanarkshire constituency, Alex Barr and presumably other local agencies—PR and otherwise—would have had his constituency office telephone number. My current constituency telephone number is the same one as Frank Roy MP has had for the past two and a half years. It would not have been outwith Mr Barr's wit to take a note from the Frank Roy part of his contacts book and transpose that telephone number to the section of the book that referred to me. I presume that that is where he got the number from, because I do not think that the telephone number of my constituency office is particularly well advertised, apart from in the local constituency. Mr Barr does not live or work there.

**Dr Simpson:** Are you aware of whether any of the numbers that Mr Barr in particular, or Mr Reid, had were private numbers that were not available in the public domain? Is your home number in the telephone book?

**Mr McConnell:** I have not seen Mr Barr's contacts book, so I cannot judge that entirely. However, from what I have read of the independent adviser's report to this committee, if I remember rightly Mr Barr had three numbers for me in that book. One of those is my published home telephone number; that means that he does not have my other home telephone number, which is an ex-directory number for family. He has the constituency office number; I have just explained to Tricia Marwick where I suspect he got that number, although it is known locally as the office is public. He also has a mobile telephone number, which has not changed since I worked for Public Affairs Europe last year. I would have expected him to have that number.

I draw the committee's attention to the fact that Mr Barr did not have the pager number that I had as a candidate and subsequently as an MSP in the early part of 1999. That reinforces the point that he and I have not been in contact and that he has not had access to numbers for me. I also draw the committee's attention to the fact that he did not have in his contacts book my ministerial office number or my Edinburgh parliamentary office number, both of which are publicly available. He would have been able to get those numbers even if he was not in contact with me, which I think shows that not only was he not in contact with me, but he was not making any efforts to get in contact with me.

**Lord James Douglas-Hamilton:** May I return to where I left off? What was the nature of your work for Beattie Media's joint venture? Was it substantial?

**Mr McConnell:** It would have been substantial if we had been more successful in acquiring clients. Initially, the work was to set up the new company called Public Affairs Europe. The company was based in the offices of Maclay Murray & Spens, not in the Beattie Media offices, although I occasionally worked from there on the basis of maybe one day per week. The office was registered at the headquarters of Maclay Murray & Spens in Edinburgh and my pay and contract were with Maclay, Murray & Spens, not with Beattie Media. That was administered by that company, which took the position very seriously indeed.

The job that I was asked to carry out was, first, to set up systems as the chief executive of a new company, to establish the company and to produce a promotional brochure. That brochure, which I would happily provide for the committee, does not refer to access to politicians on any page, in any paragraph, unlike many other promotional brochures for public affairs and public relations companies. I was then asked to begin the process of attracting clients for the company. Some of this was referred to in the evidence from



other people.

There were several reasons why that was not successful. I suspect that it was partly because of my insistence that we were trying to establish a higher standard of conduct in public affairs activities, which did not involve access to politicians, but which concerned strategic advice. It was too early—too far in advance of the Scottish Parliament. The matter was regrettable, given all the people who were involved in it. Given the importance that we all put on communication, I think that we got the marketing wrong. To call the company Europe, when it was concentrating on Scotland, defeated the purpose. Therefore, there were several reasons why the company was not successful. However, I was busy trying to attract clients, and we did a lot of work on that front.

**Lord James Douglas-Hamilton:** Thank you. I refer to the transcript of the original interview. On page 11, Alex Barr says:

“We speak to Jack regularly. I can pick up the phone to Jack”.

I think the First Minister used the phrase “sales pitch”. Do you feel that Alex Barr was pitching it too strongly in using those words?

**Mr McConnell:** I have already made it clear—and I understand from the transcript that Alex Barr has made it clear—that that reference not only to regular contact, but to any contact between me and him is untrue.

**Lord James Douglas-Hamilton:** In his evidence to this committee on 8 October, Alex Barr was cross-examined by the convener, who asked:

“When you say, ‘We speak to Jack regularly’, do you include yourself?”

Alex Barr said:

“I meant a corporate we—Beattie Media.” [*Official Report, Standards Committee*, 8 October 1999; c 122.]

Do you think that he was going too far in what he said on that occasion?

**Mr McConnell:** I have explained this very clearly, and not only to the committee this morning; I have explained very clearly, from the first occasion on which I heard about the whole story, that the only contact that I have had with Beattie Media since May, has been—in addition to an application from a member of staff of Beattie Media for the post of my constituency assistant—the personal telephone conversations that I have had with Mr Gordon Beattie and one written approach for me to visit Motherwell College, which I accepted and handled myself as it concerned sensitive constituency business and had nothing to do with any outside body.

**Lord James Douglas-Hamilton:** Am I correct in

thinking that, on 19 July, Christina Marshall started working for you?

**Mr McConnell:** Yes.

**Lord James Douglas-Hamilton:** After that date she was not employed, in any respect, by Beattie Media?

**Mr McConnell:** It is to her credit that she stopped working for Beattie Media 10 days before she started working for me. I suspect that that was, on her part, to ensure that there was a clean break between the two forms of employment.

**Lord James Douglas-Hamilton:** Yes. You have made your position on that quite clear. However, I want to be absolutely clear. On page 3 of the transcript, Alex Barr said:

“She previously worked with us, we took on Jack, she was appointed to his PA within public affairs, and we saw the merit of her going to join Jack to work in his office.”

Was that remark wholly untrue?

**Mr McConnell:** I want to make this absolutely clear to the committee. When I worked for Public Affairs Europe, I was the sole employee. Even in her capacity as a secretary at Beattie Media, Christina Marshall did not work for me. She has accurately recalled that, in her role as the assistant secretary or personal assistant to Mr Beattie himself, she perhaps typed five or six letters for me on one occasion when she had spare time and I was looking for somebody to do some work.

The suggestion either that she worked for me in 1998 or that she was placed with me by anybody—not just Beattie Media—is entirely untrue. Very soon after I was elected a member of the Scottish Parliament, I conducted a strictly professional selection process for the appointment of my constituency assistant. I think that I was the first member of the Parliament to have an open constituency office. I was certainly among the first to have a joint office with another member of Parliament and to conduct surgeries jointly with the local MP. I was also among the first to have a properly staffed constituency office. I treated that matter very seriously.

Local people in Motherwell and Wishaw need to be absolutely reassured—I hope that the committee will help me in this—that, when they approach my office, they are approaching a professional service that treats their business confidentially and ensures that it is dealt with by the appropriate body and in an appropriate, professional and confidential manner. As long as I am a member of the Scottish Parliament, I will stick to those standards.

**Lord James Douglas-Hamilton:** Alex Barr said in the transcript that

"we saw the merit of her going to join Jack to work in his office".

Are you saying that any inference that might be drawn from those remarks that he or Beattie Media had anything to do with Christina Marshall's appointment is wholly wrong?

**Mr McConnell:** Absolutely. I employ a very professional constituency assistant. It would be very wrong to suggest anything else.

**Lord James Douglas-Hamilton:** With regard to the awards ceremony for finance director of the year, Alex Barr claimed on page 11 of the transcript:

"Christina checked his diary for me, and said 'Consider it done.' . . . She arranged it. She said if you don't hear from me tomorrow, it's in the diary, he'll do it."

Had you empowered Christina to accept invitations on your behalf?

**Mr McConnell:** No, not even constituency appointments, never mind ministerial appointments.

**Lord James Douglas-Hamilton:** When did you first know about the proposed invitation?

**Mr McConnell:** I believe that Ms Marshall raised it with me the day after her telephone conversation with Mr Barr.

**Lord James Douglas-Hamilton:** Was that on or about 26 September?

**Mr McConnell:** No, the first conversation that I had with Christina Marshall about her telephone conversation with Mr Barr was some time in the second half of August. I was on holiday in the first half of August, and the conversation took place shortly after I came back from my holiday.

**Lord James Douglas-Hamilton:** When did you discuss this with Christina?

**Mr McConnell:** On a Friday afternoon, in keeping with normal practice. I should explain that on Fridays the ministerial office—which, as I have said, holds the only authoritative copy of my diary—faxes a copy of that diary to Christina for her to transcribe into her diary on either Friday morning or Friday afternoon. If I am in the office at the time, we go through any requests from constituency bodies or individuals in the constituency to see whether we can fit them in during the coming weeks. That is standard practice for us on a Friday. It is a way for me to organise my business and it allows both Christina and I to have a standard procedure.

**Lord James Douglas-Hamilton:** In your letter to the committee of 14 October, you wrote:

"I told her that I would consider whether to attend the event if and when I received a formal invitation."

As you were awaiting a formal invitation, the matter was pending, was it not?

**Mr McConnell:** The matter was pending. The impression that I was given that day was that it was pending written confirmation from the company. I took the view that we should wait for the company to send us that information before Christina took any further action. In the meantime, as I was not inclined to accept the invitation, even once we had received the written information—although I thought that it was fair to wait for it—I said that she should not follow up the conversation that she had had.

**Lord James Douglas-Hamilton:** I think that I am correct in saying that the year-ahead planner contained a note that was Tipp-Exed out. Why was that? Can you enlighten us on that point?

**Mr McConnell:** I presume that Ms Marshall Tipp-Exed out the note because I had said not to do anything about it. I presume that that is her normal practice in notebooks and diaries. However, I do not handle her diaries—I do not write in them, never mind adjust them in any way.

**Lord James Douglas-Hamilton:** When the page is held up to the light, the words "Alex's dinner" can be read under the Tipp-Ex. You were not aware of that?

**Mr McConnell:** I cannot remember exactly what was in front of me, but I remember having the conversation across the desk in my office, Ms Marshall asking me about the conversation that she had had, my saying clearly that I thought that we should wait for written information to arrive, and her clearly being under the impression that she would receive written information. That was the end of the matter as far as I was concerned. I did not even think about the event, or the conversation, again until Mr Nelson started telephoning people on Friday 24 September.

**The Convener:** Lord James, may I bring in Richard at this point?

**Dr Simpson:** I wish to ask two questions about receiving that informal notification of an invitation. You say that you decided at that point not to accept the invitation.

11:15

**Mr McConnell:** I was inclined not to. The event in question was described to me as an event that might take place in the early part of 2000. Some members of the committee will be aware that I have to see the budget bill through the Parliament in January and February of next year for the first time. As I understand it, it is standard practice for ministers at the Treasury in London not to accept invitations around the time that the chancellor presents his budget, which is a much more serious

occasion than my budget bill. I thought that it would be unwise to accept invitations for that period. For example, at this time I have not accepted any invitations to Burns suppers or any events of that kind in January or February next year because I want to be clear about the timetable for the bill before I put anything else in my diary. I think that that is only right and proper. I take my position as Minister for Finance very seriously and it always has to have priority at those times of the year.

**Mr Adam Ingram (South of Scotland) (SNP):** Mr McConnell, you mentioned that you did not know in detail what Christina did with diaries, notebooks and such like. However—and this is an important point—in your conversation with Dean Nelson, you indicated to him that she had pencilled the proposed invitation, or whatever you would like to call it, in her notebook. That is what stimulated this committee to ask for the notebook, which gained some notoriety, shall we say, over the weekend. However, in your letter to us, you indicated that the invitation was not put in the notebook and that it was pencilled into the diary. That is an obvious discrepancy. Would you like to explain that?

**Mr McConnell:** I will pick up on two things that you said. First, I would not describe what she did as pencilling it into the diary, because I think, as your independent adviser will have seen, that there is no pencil, pen or Tipp-Ex reference to the event in any diary page or diary section, either electronically or on the desk. There is a note in the wrong column of the forward planner. It is important to note what she said yet again this morning about pencilling it in for consideration, which is an accurate reflection of what she did.

The conversation that I had with Mr Nelson took place the day after Ms Marshall's conversation with Mr Nelson. Clearly, we had discussed on the Friday afternoon what she had been asked by Mr Nelson and I had been reminded about the original conversation that we had had about this event. She was able to confirm for me on the Friday afternoon that she had had a note of the event, which had since been erased.

It is important for me to say to the committee—this will perhaps be a common theme of this morning's evidence, from what I have heard—that my recollection of the conversation with Mr Nelson is slightly fuller than the version that you just repeated to me. Again, I have not seen his notes of those conversations, so it may be that the notes reflect this. However, I remember him pressing me on the Saturday morning about where she took a note of the matter and my saying, "I don't know. I don't sit at her desk, but it was in some form of notebook." I think that he reflected that to you as "it was in her notebook".

Now, that was early on a Saturday morning, and I am not commenting at all on either his notes or my recollection, but I think that it is important to put these things in context. I remember being asked three or four times by him, "Where was this note? She says it was pencilled in for consideration." I remember saying, "Well, it was in some form of notebook on her desk." I remember her having the book in front of her when we talked about the event.

**Mr Ingram:** Your colleagues in the Executive have already conducted some form of investigation into this. What did you tell them about this scenario?

**Mr McConnell:** Exactly what I have told the committee this morning. On Friday 24 September, the day that Ms Marshall took the first telephone call—the day on which Government staff first had telephone conversations with *The Observer* about this story—I produced for the First Minister a question and answer presentation on the contacts with Beattie Media and on the specific allegations that had been mentioned on that day. I am perfectly happy to furnish that to the independent adviser to the committee—there would be no difficulty with that whatever. There is only one thing missing from it, which is the reference to the Motherwell College correspondence from back in May. That was because, at that time, I forgot about it and it took me two or three days to remember it, as Beattie Media had never been involved in the meeting with Motherwell College, which was a constituency, rather than a ministerial, event in any case. I had forgotten about that contact. However, everything else is in that question and answer presentation.

I also have a slightly stained copy—which I recalled from listening to this morning's presentations in relation to my constituency assistant—of the typewritten note that Ms Marshall completed after her conversation with Mr Nelson and before I arrived in the constituency office. When I arrived, we talked about the conversation and she presented me with a typed note of her conversation, which she had taken quickly for the record. I have my early, stained version of that, which I have held on to since that day. I would be happy to furnish that to the committee today, as I understand that you want to produce your report quickly. I would not want there to be any delay in your getting that note, which was asked for this morning.

**Lord James Douglas-Hamilton:** Christina Marshall stated this morning that the old notebooks were routinely destroyed. Is that the normal working practice?

**Mr McConnell:** That is what she tells me that she does.

**Lord James Douglas-Hamilton:** Your evidence is clear—Beattie Media had no control over your diary, and any inference that it did is totally and absolutely wrong.

**Mr McConnell:** Neither Beattie Media, nor anyone else, has any undue influence over my diary. I want that to be absolutely crystal clear. I was approached on three occasions over the summer by public affairs companies—none of them Beattie Media—to have meetings with their clients. On all three occasions, I asked the companies to ensure that their clients wrote to me directly, not through them. I made it clear that only on that basis would I even consider the possibility of meeting their clients. I do not organise meetings through third parties, either in my constituency or in my ministerial office. I want that to be put on the record.

**Lord James Douglas-Hamilton:** I want to clear up one other matter. On page 10 of *The Observer's* transcript, it is stated that Kevin Reid said

“... budgets over the next two years but instead of cutting them back he's going to try to put more money into education. ...”.

Allegations were made that Mr Reid had advance knowledge of the budget. Had not the information already been published through the BBC?

**Mr McConnell:** For five weeks, I have been resisting the temptation to comment on other people involved in this whole episode and I will do so again this morning. However, I would be surprised if any Scottish journalist was not aware that we were in the first year of a three-year comprehensive spending review, as figures had already been published for all three of those years. In the same week, if I remember rightly, as the conversation between the supposed company and the representatives of Beattie Media was recorded on video, we published in Parliament the Public Finance and Accountability (Scotland) Bill, which sets out the procedures for the annual budget of the Parliament and the Executive. The bill makes it absolutely crystal clear that the main focus of the autumn financial statement and the budget bill in January each year is a one-year budget for the following year. It is not outwith the bounds of possibility that anyone involved in public life in Scotland had not noticed that there were two years of the comprehensive spending review still to run, but it is clear that the main purpose of the financial statement and of my activities in September as Minister for Finance were to resolve the budget for one year—next year. That became clear in the financial statement on 6 October.

**Lord James Douglas-Hamilton:** Let me return to the issue of invitations. If an invitation is issued by an official body to you in your capacity as Minister for Finance, would not it be normal and

appropriate to send that invitation to your ministerial office so that it could be properly processed along with other invitations and be considered on its merits?

**Mr McConnell:** That is the normal process. I have to say that, as I understand it, there is a considerable amount of correspondence each day that arrives in Edinburgh but is for my constituency. A lesser amount arrives in the constituency that is actually for me as a minister, but both my offices are instructed to send the inappropriate correspondence to the other office the same day, and they carry out that instruction to the letter. That happens consistently and I am confident that the staff in my private office and the staff in my constituency office abide by those instructions to ensure that proper procedures are followed.

**Lord James Douglas-Hamilton:** If an invitation to the finance director of the year award were to come your way from the right source, would not you be free to accept it and would not it be normal and natural for you, as Minister for Finance, to attend such a function?

**Mr McConnell:** It is the kind of event that I would probably like to be involved in. However, as I said earlier, because of the apparent timing of the event, it is probably not an invitation that I would accept, particularly in the first year of my role as Minister for Finance and for budgeting for the Parliament. I think that it is important that, in the early part of 2000, I concentrate on the most important duty that I have in this Parliament, which is to see the annual budget through on time to a stage at which the Executive members and officials can spend money on 1 April next year without finding ourselves in any difficulties.

**Karen Gillon:** I have just a couple of points to tidy things up. You will understand that there has been a lot of conversation about a notebook. Obviously, that has caused some concern for you and for this committee. Earlier, Ms Marshall indicated that rough notes about confidential and, as you called them, life-threatening incidents in your constituency would be held. Can you confirm whether, if that were the case, you would pass life-threatening allegations on to the police?

**Mr McConnell:** Absolutely. Of course. It is important to reiterate this morning a point that I made in my letter to the independent adviser. I assume that it has been drawn to the attention of the committee but I would like to do so formally myself. One of the notebooks that you have in your possession contains an entry that I regard as potentially dangerous to some of the people that are mentioned. I am very keen that that notebook does not openly enter the public domain without me being aware of it in advance.

Both Frank Roy and I, who work very closely as an MP and an MSP, deal with a large number of confidential cases on a regular basis, as I suspect that all of you do. Sometimes those cases are about crime. At the moment, in our constituency, there have been a number of dangerous and violent incidents, particularly at weekends, and we are currently dealing with the aftermath of those incidents. We have to do that confidentially, sometimes verbally and sometimes in writing, and we treat information with every confidence. I suspect that, as a result of the discussions in the committee this morning, we may have to review how we hold that information in the office. I would not like to be in a situation in which the office is suspected of containing information that people might want to get their hands on. I want to make it absolutely clear that that arrangement will be reviewed as a result of the evidence that we have had to give to this committee and which we have openly given in good faith.

**Karen Gillon:** I have one final point. When Ms Marshall's notebooks are destroyed, I take it that they are destroyed thoroughly and without any trace being left, so that none of that confidential information could fall into the wrong hands.

**Mr McConnell:** That is my understanding.

11:30

**The Convener:** Are there any other questions?

**Dr Simpson:** There is a ministerial code of conduct and it says that ministers will want to order their affairs so that no conflict arises, or might be thought to arise, between their private interests, financial or otherwise, and their public duties. Will Mr McConnell comment on that? Does he have any concerns relating to that?

**Mr McConnell:** I do not want to expand too much on what I said in my earlier statement, but I can, perhaps, reflect on one or two points.

I was a local councillor for nine years from 1984 to 1993 and I was council leader for two years, during which time I had to carefully differentiate between my role as a local councillor and my role as council leader. When, in May, I became the member of the Scottish Parliament for Motherwell and Wishaw and was subsequently made Minister for Finance, I found myself in a situation with which I could compare experience from my past. I was immediately conscious of the need to separate those two roles.

After I was appointed Minister for Finance I took immediate steps to appoint a researcher for the summer, who was based here in Edinburgh, to ensure that there was clear distinction between the roles until I employed a constituency assistant and my office was fully operational. I have at all

times ensured that there is separation of those two roles. I have also been conscious that I should, as Minister for Finance, do things openly and transparently in my personal life and in my private activities, such as the occasions on which I accompany my wife, who holds a prominent public sector position.

That is why my diary contains, as your independent adviser will have seen, a number of personal engagements, such as dinner parties, over the summer. They are there for the record. That is also why, in the "Register of Members' Interests" and in the ministerial record of gifts and interests I have, perhaps, over-declared what I do. I also declare all my wife's interests because I never want there to be any suggestion that I have been influenced in an improper fashion.

The fact that I take all those steps has made the past five weeks particularly difficult, but I will continue to take them and I genuinely and sincerely welcome the fact that this committee has given me an opportunity to outline those facts. I was very confident on the first day of this affair that this committee would handle the situation properly. I have been confident every day since and I am confident today that the committee will produce its report quickly and that it will restore the reputations of the Parliament and of all of us in the way that it conducts and completes the inquiry.

**Tricia Marwick:** I would like to make a final point. I am curious about a point that you made earlier. We have a copy of the special adviser's report in front of us. Mr Duncan said in that report—and I referred to this on Monday—that there were three telephone numbers listed for you. The report says:

"None of the three numbers is an Edinburgh number or a Scottish Parliament number. Mr Duncan has lodged the numbers in confidence with the Chief Executive."

I asked at the meeting of this committee on Monday what those numbers were and I was told that one of them was your constituency office—we have dealt with that—and that another was a Stirling or Bridge of Allan number.

**Mr McConnell:** That is my home number, I presume. I have never seen that contacts book.

**Tricia Marwick:** I do not know what that number is, I have never asked what that number is and I do not think that anyone else from the committee has asked what that number is. You clearly said earlier that it is funny that Alex Barr does not have your private number. How do you know that Alex Barr did not have your private number? It was the private number that was given to the special adviser, so why did you assume that it was your home number that we were talking about when you have clearly not seen the number that Mr Barr has? You have not, and neither have we, seen Mr

Duncan's report. The chief executive is, as far as I know, the only person who knows what those numbers are.

**Mr McConnell:** I cannot remember exactly, but Mr Barr, in his evidence to the committee, made reference to the fact that my home telephone number was in the Beattie Media records at the time that I was working for Public Affairs Europe. It is safe to assume that if he had my home telephone number at that stage, he will not have deleted it from his contacts book. I know for a fact that he does not have my private home telephone number because the line with that number has just been installed.

**The Convener:** Are there any other questions?

**Members:** No.

**The Convener:** Thank you very much, Jack, for your responses.

**Mr McConnell:** Thank you.

**The Convener:** That concludes the evidence that we will receive today. I would like to remind everyone that both witnesses have the opportunity to comment on the draft record of the evidence that they have given, and they may, if so advised, submit further comments to me in writing. It would be appreciated if that information could come to us quickly so that we can progress with our investigation. We will have a short suspension so that we can consult our advisers.

11:35

*Meeting suspended.*

12:03

*On resuming—*

**Karen Gillon:** Committee members have asked for a couple of pieces of evidence that we wish to consider before we come to any conclusions on this issue. I suggest that we ask for that evidence and reconvene at 2.30 on Friday afternoon to consider the evidence and examine the matter further.

**The Convener:** Is everybody happy with that?

**Members indicated agreement.**

**Dr Simpson:** Do committee members agree that we do not want to seek any new evidence or witnesses? Apart from the evidence that Karen has already mentioned, which we have asked for and must examine, we wish to see no other additional evidence or witnesses.

**The Convener:** If I may clarify, we are going to meet on Friday at 2.30 in the afternoon, and we will meet to consider the further written evidence, of which there is not a lot.

**Des McNulty:** I wish to clarify that we will be meeting in public.

**The Convener:** Yes, I was just about to say that. We will be meeting in public because we will be considering evidence. As soon as we have done that, the investigation will be complete. Hopefully, the investigation will be concluded on Friday, and we will then get the officials to produce a draft report as soon as possible. We will certainly meet in public on Friday to conclude our investigation. Are we happy with that?

**Members indicated agreement.**

**The Convener:** Are there any other points? As there are none, I close the meeting.

*Meeting closed at 12:05.*

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