

**BRITISH VIRGIN ISLANDS COMMISSION OF INQUIRY**

**HEARINGS: DAY 44**  
(TUESDAY 5 OCTOBER 2021)

International Arbitration Centre  
3<sup>rd</sup> floor Ritter House  
Wickhams Cay II  
Road Town, Tortola

**Before:**

**Commissioner Rt Hon Sir Gary Hickinbottom**

Ms Martha Eker-Male and Ms Lauren Peaty (instructed by the Attorney General) appeared for various BVI Government Ministers and public officials.

Counsel to the Commission Mr Bilal Rawat also appeared.

Mr Kedrick Malone gave evidence.  
Ms Elvia Smith-Maduro gave evidence.  
Dr Carolyn O'Neal Morton gave evidence  
Mr Jeremiah Frett gave evidence.  
Mr Glenroy Forbes gave evidence.

Court Reporter:

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Those present:

Session 1

Ms Martha Eker-Male, Withers LLP (attending remotely)

Mr Bilal Rawat

Mr Kedrick Malone

Mr Andrew King, Senior Solicitor to the Commission

Ms Rhea Harrikissoon, Solicitor to the Commission

Ms Juienna Tasaddiq, Assistant Secretary to the Commission

Mr Dame Peters, Audio-Visual Technician

Officer Denver Prince, Royal Virgin Islands Police Force

Session 2

Ms Martha Eker-Male, Withers LLP (attending remotely)

Mr Bilal Rawat

Ms Elvia Smith-Maduro

Mr Andrew King, Senior Solicitor to the Commission

Ms Rhea Harrikissoon, Solicitor to the Commission

Mr Dame Peters, Audio-Visual Technician

Officer Denver Walker, Royal Virgin Islands Police Force

Session 3

Ms Martha Eker-Male, Withers LLP (attending remotely)

Mr Bilal Rawat

Dr Carolyn O'Neal Morton

Mr Andrew King, Senior Solicitor to the Commission

Ms Rhea Harrikissoon, Solicitor to the Commission

Mr Dame Peters, Audio-Visual Technician

Officer Denver Walker, Royal Virgin Islands Police Force

Session 4

Ms Martha Eker-Male, Withers LLP (attending remotely)

Mr Bilal Rawat

Mr Jeremiah Frett

Mr Andrew King, Senior Solicitor to the Commission

Ms Rhea Harrikissoon, Solicitor to the Commission

Mr Dame Peters, Audio-Visual Technician

Officer Denver Walker, Royal Virgin Islands Police Force

Session 5

Ms Lauren Peaty, Withers LLP (attending remotely)

Mr Bilal Rawat

Mr Glenroy Forbes (attending remotely)

Mr Andrew King, Senior Solicitor to the Commission

Ms Rhea Harrikissoon, Solicitor to the Commission

Mr Dame Peters, Audio-Visual Technician

Officer Denver Walker, Royal Virgin Islands Police  
Force

P R O C E E D I N G S

Session 1

1  
2  
3 COMMISSIONER HICKINBOTTOM: Mr Rawat, I think we're  
4 ready to start.

5 MR RAWAT: Thank you. Good morning.

6 Before our first witness of the day, may I just  
7 introduce the legal representation.

8 COMMISSIONER HICKINBOTTOM: Yes.

9 MR RAWAT: Attending remotely on behalf of the  
10 Attorney General and the elected Ministers is Ms Martha  
11 Eker-Male. The remaining Members of the House of Assembly who  
12 are separately represented do not have a legal representative  
13 attending today.

14 Our first witness, Commissioner, is Mr Kedrick Malone.

15 BY MR RAWAT:

16 Q. Mr Malone, thank you for coming to give evidence to  
17 the Commissioner.

18 A. Pleasure.

19 Q. I understand that you're going to take an oath?

20 A. Yes.

21 Q. You should have the Bible there with you. If you  
22 could just take it in your hand and read out the words of the  
23 oath, please.

24 A. I swear by Almighty God that the evidence I shall give  
25 shall be the truth, the whole truth, and nothing but the truth.

1 Q. Thank you very much. Can we start with some  
2 formalities. Could you confirm your full name to the  
3 Commissioner, please?

4 A. My name is Kedrick Ellington Malone.

5 Q. And your current professional address?

6 A. "Foya" (phonetic), Tortola, British Virgin Islands.

7 Q. You will see just to your left, there are some  
8 bundles. We will need to look at some documents in them as we  
9 go through.

10 A. Okay.

11 Q. You will see bundles in fact on both sides of you, I'm  
12 afraid, Mr Malone.

13 A. Right.

14 Q. Can I just ask you to do one thing, and that is just  
15 to keep your voice up?

16 A. Okay.

17 Q. And to speak slowly as we go through your evidence  
18 because it's important that an accurate record of your evidence  
19 is taken, as you will appreciate.

20 A. Okay.

21 MS. EKER-MALE: Commissioner, my apologies for  
22 interrupting. Please may I just raise one small point.

23 COMMISSIONER HICKINBOTTOM: Yes, certainly, go ahead,  
24 Ms Eker-Male.

25 MS. EKER-MALE: Thank you very much.

1 Mr. Commissioner, as far as Mr Olympitis at yesterday's hearing,  
2 we are expecting some of the evidence today to touch on matters  
3 that may be subject to commercial confidentiality or at least  
4 may be commercially sensitive, and the witnesses should be told  
5 not to hesitate from raising the commercially sensitive  
6 information to the attention of counsel to the Commission so  
7 that care can be taken. We don't expect it will be necessary to  
8 go into the detail of these projects, and yesterday Mr Rawat was  
9 able to deal with them by referring to their Parties as  
10 Company 1 and Company 2, so we hope the interruptions can be  
11 avoided.

12 COMMISSIONER HICKINBOTTOM: Thank you, Ms Eker-Male.

13 The sensitivities are the same as yesterday; yes?

14 MS. EKER-MALE: They are, yes.

15 COMMISSIONER HICKINBOTTOM: Thank you very much.

16 We'll do that.

17 MS. EKER-MALE: Thank you.

18 MR RAWAT: Thank you very much, Commissioner.

19 BY MR RAWAT:

20 Q. I understand, Mr Malone, that you're no longer in the  
21 Public Service.

22 A. That's correct.

23 Q. Could you give the Commissioner an outline of your  
24 career in Public Service?

25 A. Ah, my career in Public Service started in 1991. I

1 was a Deputy--let me say, first of all, I was a contract  
2 employee. I'm not a Civil Servant, permanent and established  
3 Civil Servant. I'm a contract employee. Started in 1991 as a  
4 Deputy Permanent Secretary in the then-Chief Minister's office,  
5 I also functioned as the Field Commissioner at the time.

6 My next Public Service engagement was I then taught at  
7 the HL Stoutt Community College, which was a Government body,  
8 for three years. Then I became Director of Tourism, where I  
9 served for three-and-a-half years. I then went on to serve at  
10 the London office as the UK EU UK representative, directed the  
11 London office for five years.

12 I came back, I served as the Executive Director of BVI  
13 Finance for about six-seven months. Then I went on to serve as  
14 the Executive Director of the Financial Services Implementation  
15 Unit, which was a special unit established to implement the  
16 recommendations of the study by McKenzie, on financial services  
17 reformation.

18 After that came the hurricane, I came back and I  
19 worked as a policy and strategy advisor to the Premier's Office  
20 on the recovery and helped to author the Recovery and  
21 Development Plan.

22 Q. And you took on at some point the role of Permanent  
23 Secretary?

24 A. Yes. After that, I took on a six-month assignment as  
25 Permanent Secretary from September 2019 to March 2020.

1 Q. And that was in the Premier's Office?

2 A. Everything I have done is in the Premier's Office.

3 Q. I see.

4 And you mentioned that you started off as a contract  
5 employee. Has that always been the case?

6 A. Always been the case.

7 Q. I see.

8 This is not something on which we've really had any  
9 evidence. And within the Public Service, what's the difference  
10 between a contract employee and what you described as an  
11 established Civil Servant?

12 A. A contract employee basically has no mentionable  
13 rights, which, in hindsight, given the amount of time I have  
14 worked with Government, may have been a mistake, but you just  
15 work from contract to contract, so each assignment was a  
16 separate contract.

17 Q. I see. Thank you.

18 Now, the reason that you've been asked to attend is to  
19 assist the Commissioner in relation to, in particular, a set of  
20 consultancy contracts that were awarded to Claude Skelton-Cline.

21 A. Right.

22 Q. As you may be aware, Mr Skelton-Cline gave evidence to  
23 the Commissioner yesterday.

24 A. Okay.

25 Q. And at least initially came through the Premier's



1 Office, and they span 2019 into 2021.

2 A. Right.

3 Q. Because of the evidence that the Commissioner had  
4 gathered, he directed that you be sent what we call a "Warning  
5 Letter".

6 A. Okay.

7 Q. Setting out potential criticisms that arise from the  
8 evidence that may be made of you.

9 A. Right.

10 Q. The term "Warning Letter" can have different meanings  
11 in different contexts. In the context of an Inquiry and what it  
12 is, is a means by which a witness can be notified of potential  
13 criticisms.

14 A. Okay.

15 Q. I think historically it was called a "Salmon Letter",  
16 but what I should stress is that, firstly, the Warning Letter  
17 itself is confidential.

18 A. Okay.

19 Q. Secondly, that the criticisms notified to you are  
20 potential criticisms and no more than that. They do not form a  
21 concluded or provisional view of the Commissioner.

22 A. Okay.

23 Q. The purpose is to be fair to you and to give you an  
24 opportunity to answer those.

25 A. Correct.

1 Q. Now, that opportunity comes in the first instance  
2 because the Commissioner invited you to provide a written  
3 response.

4 A. Okay.

5 Q. And you have done so.

6 A. Yes.

7 Q. Can I confirm, first of all, that you are content that  
8 that written response should stand as part of your evidence  
9 before the Commission?

10 A. Yes.

11 Q. I'm not going to read it all out, and I'm not  
12 necessarily going to read out the bits of the Warning Letter,  
13 either.

14 A. Okay.

15 Q. The Commissioner will have those. But just I think to  
16 give your--the evidence going forward some context, we know that  
17 there were three contracts.

18 A. Yes.

19 Q. The first was signed on the 27th of March and ended on  
20 the 17th of September. It was a six-month contract.

21 A. Correct.

22 Q. And you make the point that, in relation to that  
23 contract, it was Mr --Mr Skelton-Cline was engaged on it before  
24 you began your tenure as Permanent Secretary.

25 A. That's correct.

1 Q. In relation to the second contract which ran from  
2 December--forgive me--was signed on the 2nd of December 2019 and  
3 ran from the 18th of September 2019 to 17th of September 2020--

4 A. Yes.

5 Q. --that was something that you had some involvement in,  
6 and you set out some details in your written response.

7 A. Yes.

8 Q. I would like to ask you some more questions about that  
9 shortly.

10 But just again to complete the picture, the third  
11 contract was entered into on the 26th of November 2020 for a  
12 period of 12 months running from the 18th of September 2020 to  
13 the 17th of September 2021, and you make the point that that  
14 contract was entered into after you had completed your term or  
15 your contract--

16 A. Yes.

17 Q. --at the Premier's Office.

18 A. Correct.

19 Q. Having established that, can I ask you some questions  
20 about the first contract.

21 Now, you start work on the 9th of September 2019.

22 A. Yes.

23 Q. Would you have received a briefing at that time?

24 A. No. I started to work in London, actually. My first  
25 assignment was to accompany the Premier to London to have

1 discussions on the loan guarantee. Spent a week there. I  
2 probably started back at the office some time the following  
3 week. I did not have--I had a very limited briefing at the  
4 time. As I mentioned, it's a six-month assignment. I had  
5 sought to negotiate specific deliverables for that time. Given  
6 it was limited and given where the Ministry works, you needed  
7 some level of continuity, so a lot of the work related to this  
8 particular Contract was handled by the Acting PS who then  
9 reverted to the Deputy Permanent Secretary, Ms Elvia  
10 Smith-Maduro, so I had limited involvement with the Contract.

11 Q. And was your involvement with the Contract at that  
12 same level throughout your time in the Premier's Office?

13 A. No. Ms Maduro substantively handled the Contract. I  
14 looked at parts of it such as reports and gave my input, in  
15 terms of making them perhaps more substantive than they were to  
16 liaise in regards to the first contract.

17 Q. Can we just deal with that, then. I think--so, tell  
18 me if I'm got this wrong, so it was your then-Deputy,  
19 Ms Smith-Maduro, who would have overseen the Contract  
20 substantively?

21 A. Yes. She was the Acting Permanent Secretary before I  
22 arrived, and it made sense that she continued to handle this  
23 particular matter.

24 Also in the Premier's Office, because of the large  
25 portfolio, we created a Deputy Secretary for administration, and

1 she performed that role which essentially deals with contracts  
2 and payments, and other matters all related to the  
3 Administration of the office, so this naturally fell within that  
4 portfolio.

5 Q. Right.

6 Well, can I just ask you to look at bundle 4, it's on  
7 the other side of you.

8 A. Okay.

9 Q. You if turn up, please, page 3182.

10 A. 3182.

11 Okay.

12 Q. Now, this is the Report that Mr Skelton-Cline  
13 submitted towards the end of that first contract. You will see  
14 that it's dated the 13th of September 2019. That's the covering  
15 letter.

16 A. Um-hmm.

17 Q. If you turn through the page, you will see the Report  
18 is headed as "status of assignments to Grace Consulting  
19 Limited".

20 A. Okay.

21 Q. Now, in your written response, you said that you had  
22 questioned the adequacy of the report in relation to this  
23 Contract. So as far as that, this is the Report. There was  
24 only one for that contract.

25 What concerns did you have about it?

1           A.    Not about this particular report.  I think that  
2 particular inquiry was with regards to a submission of a report  
3 for payment.  I did not review this Report in that detail, so  
4 that comment did not pertain to this Report.

5           Q.    So, it was in relation to a request for payment?

6           A.    Yes.

7           Q.    And what concerns did you have about the requests for  
8 payment, then?

9           A.    I just felt that it could be--a little bit more detail  
10 could be provided to support the information that was there, and  
11 I think that was subsequently done.

12          Q.    I mean, it's helpful to know that because one of the  
13 pieces of information that the Commission hasn't been provided  
14 with are invoices for that first contract.  So, on its face,  
15 Mr Skelton-Cline was going to be paid on a monthly basis, but  
16 the Commission hasn't seen any evidence for payments or any  
17 evidence that he was paid out.

18          A.    Right.

19          Q.    Can you give the Commissioner a little more detail  
20 about the--you say you asked for some more information to be  
21 included, and that was provided.  Was that more information to  
22 be included on a report?

23          A.    More information in relation to the activity that was  
24 specified in the request for payment.

25          Q.    And can you remember anything?  I appreciate a bit of

1 time has gone.

2 A. It was a long time ago. I really don't remember the  
3 details.

4 Q. And was that the only thing you had to do, then, in  
5 relation to that first contract?

6 A. Yes.

7 Q. And is it fair to summarise it like this: You  
8 received an invoice, you queried it on the basis that there was  
9 insufficient information on its face to justify payment,  
10 information was provided, and payment was made.

11 A. Well, sometimes reports come in to the office. It  
12 happened to come in to the mail file, I looked at it, and  
13 thought it needed a bit more detail. I worked with the Deputy  
14 Permanent Secretary for Administration. I gave her my  
15 suggestions, and we--I don't have the records, you would have  
16 those records in the Premier's Office in my e-mail. There may  
17 be some correspondence there indicating that more information  
18 was required either from the Deputy Permanent Secretary or from  
19 myself.

20 Q. But it was around payment rather than for work done--

21 A. Yes.

22 Q. --rather than a status report?

23 A. Yes.

24 Q. In terms of the second contract, then--well, before I  
25 go--do you have a copy of your written response with you?

1 A. I do.

2 Q. You refer to giving input and guidance. This is in  
3 the paragraph that begins "I served as Permanent Secretary".

4 A. Um-hmm.

5 Q. So, you say: "I provided input and some guidance on  
6 matters relating to improving the adequacy of the Reports on  
7 Mr Skelton's work before payments were approved".

8 A. Yeah, we just spoke about that.

9 Q. That's what you were referring to?

10 A. Yes.

11 Q. And you say "the adequacy of the reports," plural.  
12 Was there more than report that you had--

13 A. I only recall seeing one report.

14 Q. Other than that, no involvement in that contract at  
15 all?

16 A. No.

17 Q. All right.

18 A. Not that I recall.

19 Q. Okay. In relation to the second contract, which was  
20 for the--which is the one that began on the 2nd of December  
21 2019--

22 A. Um-hmm.

23 Q. --you say that you were involved in negotiations with  
24 Mr Skelton-Cline.

25 A. Yes.



1 Q. Can you give the Commissioner some more detail about  
2 that. When did those negotiations start?

3 A. Well, the Contract came up for renewal, and I was  
4 asked to look at it. I did look at the Contract, and made  
5 certain suggestions to enhance the first contract, and those  
6 suggestions were discussed internally. Again, I worked with the  
7 Deputy Permanent Secretary since she was substantively handling  
8 the matter, and gave my input to the Contract document, and that  
9 was communicated to Mr Cline.

10 Q. Did you have any direct contact with Mr Cline?

11 A. I may have had--he was in the office periodically, so  
12 I may have had an informal discussion with him but not a  
13 sit-down detailed discussion.

14 Q. You say when the Contract came up for renewal,  
15 what--so far as you were aware, had there been any discussions  
16 about the Contract before you joined the Premier's Office?

17 A. No. I wasn't--the contract was approved by Cabinet  
18 for renewal, and we were just administering that decision.

19 Q. Did you have any input in finalizing the Contract  
20 before it went to Cabinet?

21 A. The Contract I had--I looked at the Contract, made  
22 certain recommendations and suggestions and amendments to it,  
23 presented it to Mr Cline, but the Contract did not remain with  
24 me. It was transferred to the Ministry of Finance for  
25 conclusion, so I don't know what the contract looked like. I

1 did not have a say in the final contract.

2 Q. Well, what you say is--when we can look at the  
3 Contracts in a moment, but what you say is that your involvement  
4 was with a view to improving the effectiveness of the first  
5 contract with regard to deliverables, reporting, regular  
6 meetings, project plans and timelines.

7 A. I'm sorry, I meant the second contract.

8 Q. Right. To improving the effectiveness of the second  
9 contract?

10 A. Yes.

11 Q. So we should read your paragraph, we should amend your  
12 paragraph three accordingly.

13 A. Okay.

14 COMMISSIONER HICKINBOTTOM: Yes, I think I understood  
15 what you meant anyway, Mr Malone. You intended your suggestions  
16 to improve effectiveness over the effectiveness of the first  
17 contract, if that makes sense?

18 THE WITNESS: Well, as a consultant, I'm used to  
19 contracts, and I just applied some of that to the Contract.

20 COMMISSIONER HICKINBOTTOM: Not yet, but your idea was  
21 that the amendments you suggested would make the second  
22 contract, in terms of deliverables, et cetera, more effective  
23 than the first contract appeared to be on its face; is that  
24 fair?

25 THE WITNESS: Yes, that's fair.

1 COMMISSIONER HICKINBOTTOM: And that's, I think, why  
2 you referred to the first contract?

3 THE WITNESS: Yes.

4 COMMISSIONER HICKINBOTTOM: Yes. Okay. And, I mean,  
5 we'll come to look at it because Mr Rawat will take you to it,  
6 but the appendix to the Contract is where all of these things  
7 are set out.

8 THE WITNESS: Yes.

9 COMMISSIONER HICKINBOTTOM: It's substantially  
10 different, and it's a bit like this in terms of deliverables, et  
11 cetera, harder edged than the first contract?

12 THE WITNESS: Right.

13 BY MR RAWAT:

14 Q. We can look at them, I think it's helpful to look at  
15 them now, Commissioner.

16 I think you can put bundle 4 away, Mr Malone. You  
17 have had no sight of that Report.

18 Bundle 8, please.

19 A. Bundle 8?

20 Q. The end, the smaller.

21 A. The smaller.

22 Q. Turn up and go towards the back and turn up page 7532.

23 A. Okay.

24 Q. Now, that's the first contract. So, 7532 is the first  
25 contract. If you turn through to 7542?

1 A. Okay.

2 Q. You will see, I hope, Appendix A.

3 A. Yes.

4 Q. Which sets out essentially the responsibilities of the  
5 Consultant, in this case Mr Skelton-Cline, under--

6 A. First contract.

7 Q. Under the first contract. If you put one finger there  
8 and turn back to 7528.

9 A. Okay.

10 Q. Now, 7528 is the appendix to the third contract?

11 A. Third contract.

12 Q. Third contract, but its terms are similar to the  
13 second contract. Are the same, in fact, as the second contract,  
14 but the reason I have taken you there is because the copy of the  
15 second contract in the bundle lacks an Appendix A. We did  
16 receive one over the weekend, so we've been able to confirm  
17 yesterday that this is the same, so the Appendix A changed  
18 between contract one and contract two but remained the same for  
19 contract three.

20 A. Okay.

21 Q. And so, you will see that when you were--well, tell us  
22 if you didn't come across this, but the Contract that you were  
23 involved in working on sets a number of requirements but  
24 includes at the top that the Consultant has to identify and  
25 develop a portfolio of revenue-generating initiatives. And

1 secondly, they're responsible for--

2 A. Sorry, where are you reading from?

3 Q. From 7528.

4 A. Okay.

5 Q. So, that's the one--that's the end contract that you  
6 would have had input into. You can compare the two, but the  
7 first contract didn't, for example, require or impose a  
8 requirement of delivering a minimum of three initiatives within  
9 a 12-month time frame that will generate a minimum of  
10 \$5 million.

11 When you were involved in dealing--in negotiating to,  
12 as you say, improve the effectiveness of this Contract, were you  
13 aware of that objective?

14 A. Yes. I think that was established by the Premier.

15 Q. And in terms of when you say--you refer in your  
16 written response to "deliverables", improving the effectiveness  
17 of deliverables--

18 A. Um-hmm.

19 Q. --what specifically did you have in mind?

20 A. Well, I think it was more in terms of having more  
21 specifics on the initiatives, so I believe--I recall that we had  
22 suggested that there should be a proposal for each initiative  
23 developed within a certain time so that the Ministry would be  
24 aware of what the initiatives were within the time to allow for  
25 them to be developed, yes.

1 Q. So, what the Ministry wanted to see was a defined  
2 proposal with a defined timeline?

3 A. For each initiative, yes.

4 Q. Yes.

5 So, you wanted the Consultant to be able to tell you  
6 this initiative we'll deliver within this time frame?

7 A. At least set out what the initiative is in detail and  
8 within that document that sets out what the initiative is to get  
9 detail as to what deliverables and timelines for those.

10 Q. So, concrete facts were what were required?

11 A. Well, that's what I'm used to doing as a consultant,  
12 so I was just asking for the same thing.

13 Q. And in terms of reporting, what were you looking to  
14 have?

15 A. We were asking for more regular reporting, I believe  
16 on a monthly basis, and perhaps meetings as well, to update on  
17 the various initiatives.

18 Q. And you refer also to project plans and timelines.  
19 Does that take us back to the deliverables?

20 A. Yes. The project plan would be for each initiative;  
21 and, within the project plan, there would be timelines for the  
22 deliverables related to that particular plan.

23 Q. And you appreciate that it's obviously some time ago,  
24 but in terms of the sort of requirements that we see there being  
25 imposed on Mr Skelton-Cline as a Consultant, are other details

1 familiar to you, for example, a requirement to conduct thorough  
2 market research, financial analysis and modeling and forecasting  
3 and social impact assessment to proposed initiative?

4 A. Yes. I think those were--well, those are requirements  
5 for this type of assignment, and I believe those were there when  
6 I looked at the document.

7 Q. You say it's a requirement for this type of  
8 assignment, the assignment is that of Strategic Advisor; is that  
9 what you have in mind when you say "this type of assignment"?

10 A. No, I was looking at the assignment which was to  
11 deliver three initiatives, I call those "assignments". Perhaps  
12 it's the language.

13 Q. Yes.

14 A. Okay.

15 Q So, for a consultant--in your view, for a  
16 consultant to deliver three initiatives within a 12-month time  
17 frame that will generate a minimum of 5 million in order to be  
18 able to do that and to give the kind of information to the  
19 Ministry that it would need, that would require thorough market  
20 research, it would require financial analysis and modeling, and  
21 forecasting.

22 A. I think so.

23 Q. And so, in terms of duties and responsibilities is  
24 what's being set out there are the sort of steps that the  
25 Ministry expected the Consultant to take in order to come up

1 with those initiatives?

2 A. I think it depends on the initiative. I think that  
3 these are just things that are depending on the initiative you  
4 would want to use to produce a proper plan and to execute it.

5 Q. Keep bundle 8 open, but if you could take up bundle 6,  
6 please.

7 A. Okay.

8 Q. If you go to page 5432. If you look up, please, if  
9 you start off with page 5433?

10 A. Okay.

11 Q. We're in a sequence of e-mails that appear to concern  
12 the negotiations around the terms of this second contract, so  
13 although the Contract is set to start and does start on the 18th  
14 of September, we know it's not signed until the--until the 2nd  
15 of December, but you'll see there that amongst the points that  
16 Mr Skelton-Cline has put out in an e-mail to Ms Smith-Maduro is  
17 that at (4), "Grace would not be able to conduct financial  
18 modeling"--

19 A. Sorry, which page are you on?

20 Q. 5433.

21 A. Oh, 5433. Sorry. I'm on the wrong page.

22 Okay. I'm sorry.

23 Q. But it's an e-mail from Mr Skelton-Cline to  
24 Ms Smith-Maduro relating to the draft contract we are looking  
25 at, and that at (4), Mr Skelton-Cline says that "Grace would not



1 be able to conduct financial modeling for the rate of \$12,000 a  
2 month". And at 5432 when Ms Smith-Maduro replies, and she  
3 received the e-mail from Mr Cline on the 18th of November,  
4 replies is on the 28th of November, and she says, for example,  
5 we can agree to monthly reports, which is another point that he  
6 had taken--and that's monthly over weekly.

7 But then says that "some sort of financial modeling  
8 will be required. I can appreciate that it probably should not  
9 be a detailed financial modeling analysis but you would need to  
10 indicate how the initiatives expected to be financially viable".

11 Now, were you involved--firstly, were you aware of  
12 this particular e-mail exchange?

13 A. I'm not. I'm not copied on it. I'm not aware of it.

14 Q. I appreciate you're not copied into it, but were you  
15 involved, aside from what you told the Commission already, were  
16 you otherwise involved in negotiating the terms of the Contract?

17 A. No.

18 Q. Or was that between Ms Smith-Maduro and  
19 Mr Skelton-Cline?

20 A. I was not involved in these issues. I was not aware  
21 of these issues.

22 COMMISSIONER HICKINBOTTOM: Right, but financial  
23 modeling had found its way into the draft contract and sent to  
24 Mr Skelton-Cline. And Ms Smith-Maduro explains here that some  
25 sort of financial modeling will be required, not necessarily

1 detailed, but you would need to indicate how the initiative is  
2 expected to be financially viable, so that fits into, I think,  
3 your general view of these sort of contracts; is that right? I  
4 mean, it's...

5 THE WITNESS: Well, again it depends on the  
6 initiative.

7 COMMISSIONER HICKINBOTTOM: Yes.

8 THE WITNESS: That's why I thought it was important to  
9 have the initiatives defined. And depending on the initiative,  
10 you will determine what level of these requirements are needed  
11 for each project.

12 COMMISSIONER HICKINBOTTOM: That's perfectly  
13 understandable. So, it depends upon the nature of the proposal,  
14 really.

15 THE WITNESS: Exactly.

16 COMMISSIONER HICKINBOTTOM: And within the proposal,  
17 you would have both a timeline for whatever is proposed.

18 THE WITNESS: Sure.

19 COMMISSIONER HICKINBOTTOM: And then the deliverables.

20 THE WITNESS: Right.

21 COMMISSIONER HICKINBOTTOM: Deliverables along the  
22 timeline.

23 THE WITNESS: Right.

24 COMMISSIONER HICKINBOTTOM: Which may, depending upon  
25 the proposal, include something like this.

1 THE WITNESS: May or may not need it.

2 COMMISSIONER HICKINBOTTOM: Exactly. I understand.

3 Thank you very much.

4 BY MR RAWAT:

5 Q. Would you have seen the final version of the Contract?

6 A. I have not.

7 COMMISSIONER HICKINBOTTOM: This is also something  
8 which may have been outside your remit, but the Contract--and I  
9 raise it now because, on page 5433, Mr Skelton-Cline said the  
10 name, and that's the contractor, is Grace Center. But, in fact,  
11 in his evidence yesterday, he said that, although that's the  
12 name on the Contract--

13 THE WITNESS: Right.

14 COMMISSIONER HICKINBOTTOM: --I think it's Grace  
15 Center or Grace Consulting on each of the three Contracts.

16 THE WITNESS: Okay.

17 COMMISSIONER HICKINBOTTOM: It was a limited company  
18 that he was trading through.

19 THE WITNESS: Okay.

20 COMMISSIONER HICKINBOTTOM: So the contracting party  
21 was, in fact, a limited company.

22 THE WITNESS: Okay.

23 COMMISSIONER HICKINBOTTOM: You may not know anything  
24 about it, if you did not know the detail.

25 THE WITNESS: I did not, no.

1 COMMISSIONER HICKINBOTTOM: Thank you.

2 BY MR RAWAT:

3 Q. And was your understanding that what was being done  
4 was a renewal of a contract, rather than a new contract with the  
5 same Consultant but to do different things?

6 A. Well, it's--my understanding is it was a new contract  
7 because the nature of the assignment was very different than the  
8 previous contract.

9 Q. If--we can put that bundle away, Mr Malone.

10 A. Number 8 or number--

11 Q. Number 6, which is the contracts.

12 If you pick you now bundle 2.

13 A. A lot of dead trees in this.

14 Q. Trees versus lawyers, Mr Malone.

15 A. Yes, yes.

16 Q. If you go, please, to page 1216.

17 A. 1216 in the first bundle?

18 Q. Yes, please.

19 A. It gets up to 1062.

20 Q. Not that bundle 2. Put that bundle 2 to one side. We  
21 are sticking to the bundles on the shelves.

22 A. Oh, these, okay.

23 What's the page number again?

24 Q. 1216, please.

25 A. Okay.

1 Q. 1216 is a memorandum from the Financial Secretary  
2 dated the 22nd of November 2019?

3 A. Um-hmm.

4 Q. To you as Permanent Secretary. And it sort of  
5 indicates that Ms Smith-Maduro's e-mail to Mr Skelton-Cline,  
6 which was sent of the 28th of November has been overtaken by  
7 events that on the 22nd of November, the Cabinet agreed the  
8 Contract. But if I draw your attention to D, it says that,  
9 though the deliverables being sought are functions under the  
10 remit of the Ministry of Finance, and in this regard, even  
11 though the Consultant will be reporting to the Premier, copies  
12 of the reports should be furnished to the Financial Secretary.

13 So, in terms of reporting lines for the Consultant--

14 A. Um-hmm.

15 Q. --was your understanding that Mr Skelton-Cline was  
16 reporting to you as Permanent Secretary in the Premier's Office,  
17 or to the Financial Secretary as his Permanent Secretary when  
18 he's Minister of Finance?

19 A. It's my understanding that for the second contract,  
20 the Report was to the Financial Secretary.

21 Q. So, in terms of monitoring performance of that  
22 contract, whose desk would that land on?

23 A. It should be the same person who is being reported to.

24 Q. So, if the line of reporting is to a Permanent  
25 Secretary or, in this case, Financial Secretary--

1 A. Yes.

2 Q. --it should be the Financial Secretary that carries  
3 the burden of monitoring performance?

4 A. Yes, I would think so, yes.

5 Q. Then, in terms of the role of the Premier's Office,  
6 what did you understand that to be on that second contract?

7 A. Well, both the Financial Secretary and the Permanent  
8 Secretary report to the Premier, so either way the Premier is  
9 the responsible Minister. It wasn't clear to me what the role  
10 of the Premier's Office was in the second contract.

11 But again, after I prepared the draft contract, I had  
12 no involvement in the process after that, so I really couldn't  
13 give you a clear answer as to what the role of the Premier's  
14 Office remained after the Contract was moved to the Ministry of  
15 Finance.

16 Q. If we go back to bundle 6, please.

17 A Bundle 6.

18 Q That's bundle 2.

19 A. Bundle 8?

20 Q. 5449.

21 A 5449.

22 Q You can see a sequence of e-mails but if we start  
23 off with 5440 overleaf.

24 A 5440.

25 Q. What you have is that Mr Skelton-Cline on the 14th of

1 January 2020, we're into the second contract, sends an invoice  
2 and sends it to Ms Smith-Maduro. And I think the answer for  
3 that is because--

4 A. Which page are you on?

5 Q. 5450.

6 A. 5450.

7 Q. So, an e-mail there where an invoice is being  
8 submitted to the Deputy Permanent Secretary, Ms Smith-Maduro,  
9 for processing, so what it seems to be is that reporting--the  
10 line of reporting is to the Financial Secretary, but payment  
11 seemed to be made by the Premier's Office.

12 A. Okay.

13 Q. But if we go over, because you're copied into that  
14 e-mail, at 5449, you say: "I take it"--at the bottom--"I take  
15 it reporting requirements have been met as stipulated in the  
16 consulting agreement". And Mr Skelton-Cline confirms they are  
17 being met.

18 And then you then forward an e-mail--the e-mail to  
19 Ms Smith-Maduro and Mr Forbes, who was then Financial Secretary,  
20 and you ask: "Are we satisfied?" You write: "Both, are we  
21 satisfied"?

22 Can you help the Commissioner at all with the  
23 circumstances in which you were raising a query over reporting?

24 A. Okay. Sorry, what is the question now?

25 Q. It was to ask for assistance, really. Firstly, can

1 you remember why you raised a query over reporting requirements?

2 A. I think at that stage, as I mentioned before, the  
3 agreement was moved to the Ministry of Finance and would  
4 naturally assume that Reporting would be to the Ministry of  
5 Finance.

6 Again, I just need to remind you that I was not  
7 involved in great detail in this particular project, the Deputy  
8 PS was substantively handling it, so I relied on her and her  
9 guidance in moving the matter forward. I may have raised the  
10 issue regarding reporting requirements because of what I  
11 mentioned before, that the Contract was not concluded under my  
12 responsibility, so I assume that it was the Ministry of  
13 Finance's responsibility for reporting.

14 COMMISSIONER HICKINBOTTOM: In terms of reporting  
15 lines, things do become at least hypothetically complicated by  
16 the fact that the Premier and the Minister of Finance is the  
17 same person.

18 THE WITNESS: Yes, um-hmm.

19 COMMISSIONER HICKINBOTTOM: But it seems from the  
20 documents we've looked at, that the money was coming from--the  
21 money was being charged to the Premier's Policy Planning  
22 Administration, that head of--that accounting head.

23 THE WITNESS: Right.

24 COMMISSIONER HICKINBOTTOM: So, that's where the money  
25 was coming from.



1 THE WITNESS: Right.

2 COMMISSIONER HICKINBOTTOM: But the reporting line  
3 was, in fact, the Financial Secretary.

4 THE WITNESS: Right.

5 COMMISSIONER HICKINBOTTOM: So, is this right, just  
6 leaving really this particular contract aside. In those  
7 circumstances would any invoice really have to go--would have to  
8 be approved in one way or another by both the Premier's Office  
9 and the Financial Secretary?

10 THE WITNESS: Yes.

11 COMMISSIONER HICKINBOTTOM: I mean in effect. And it  
12 may be doing it in a number of different ways, but both would  
13 have to approve it, I assume, actually to get payment out of  
14 the--

15 THE WITNESS: I would think that the Board would have  
16 some responsibility.

17 COMMISSIONER HICKINBOTTOM: Yes. So, that may explain  
18 why there was this communication between--

19 THE WITNESS: Right. And it may be difficult to move  
20 money from one to the next to the next.

21 COMMISSIONER HICKINBOTTOM: Yes.

22 THE WITNESS: Yes.

23 BY MR RAWAT:

24 Q. Other than the points that the Commissioner has raised  
25 with you, was there any reason for you to raise an issue about

1 compliance with the reporting requirements?

2 A. Again, because of the movement of the Contract from  
3 one Ministry to the other, finalisation, it was just a natural  
4 question as to who was going to be responsible for reporting.

5 Q. I mean, you raised a question, "are we satisfied?" We  
6 haven't been provided the answer. Can you remember at all  
7 whether there was any further issues raised in relation to  
8 frequency of reporting?

9 A. I don't recall any.

10 Q. You if turn--you can put that bundle away now,  
11 Mr Malone, I hope.

12 A. Number 8 or number 6?

13 Q. Number 6.

14 A. Okay.

15 Q You should still have with you bundle 2, and you  
16 should be open--it should be open at page 1217.

17 A. 1217, yes.

18 Q. If you turn through to 1224, please.

19 A 1224.

20 Q Now, this is the Second Report that  
21 Mr Skelton-Cline, as the Consultant, provided to Government, the  
22 first one under the second contract, and it's dated January the  
23 22nd, 2020.

24 A. Okay.

25 Q. You see that at 1226. And you will note that, on his

1 Reports, Mr Skelton-Cline is referring to Grace Consulting  
2 Limited.

3 A. Yes.

4 Q. Rather than Grace Center, which is who the Contract  
5 was said to be with.

6 But if you then go through to--from 1227, 1227 is the  
7 Table of Contents where he sets out under different headings  
8 work done in relation to different initiatives.

9 A. Yes.

10 Q. Now, drawing on your experience as Consultant, which  
11 informed how you thought the Contract should be structured,  
12 looking at this, is this the sort of analysis that you were  
13 expecting? You said that one has to have a task with an  
14 initiative; you should be giving timelines; you should be giving  
15 some sense of project plans, you should be giving some financial  
16 analysis. Does that accord with the sort of layout that you  
17 anticipated?

18 A. I haven't had a chance to look at this, Commissioner,  
19 but I did say before, it depends on the nature of the project  
20 that those requirements are all necessary, so it depends on the  
21 project.

22 Q. But if the Ministry or if Government is putting into  
23 the contract a reference to financial analysis modeling,  
24 thorough market research--

25 A. Right.

1 Q. --can the Commissioner assume that it was anticipated  
2 by Government that those are the sort of duties and  
3 responsibilities that the Consultant would have to engage in?

4 A. If they were relevant to the particular project.

5 Q. And at the time the Contract was signed as far as you  
6 were aware, did you know what projects were being allocated to  
7 the Consultant?

8 A. I did not.

9 Q. Now put that one to one side and take up bundle 3,  
10 please, and turn up 2814.

11 A. 2814?

12 Q. Yes. Again, we're back into e-mail correspondence.

13 A. Okay.

14 Q. So, taking it from the bottom.

15 A. Which page, I'm sorry?

16 Q. 2814.

17 A. 2814, okay.

18 Q. So we see that Mr Forbes has sent a document to--and  
19 this is an e-mail sent 24th of January 2020. (reading): Please  
20 see the attached document--this is to Ms Smith-Maduro--please  
21 see attached document which signals my approval to pay the  
22 Consultant. His Report is duly submitted for your records.

23 Now, that would appear to be the Report that we just  
24 looked at.

25 A. Okay.

1 Q. Then you're copied into that, but Ms Smith-Maduro  
2 replies on the same day, copying you in (reading): "Thanks, FS.  
3 I've had a quick glimpse through the Report, and I have some  
4 concerns I would like to discuss in person with you and my PS at  
5 your earliest. My concern should not stop this payment. There  
6 may need to be some adjustments to Mr Skelton's reported  
7 deliverables moving forward".

8 And if you turn overleaf, 2813, Mr Forbes now--and  
9 this is on the 6th of March--replies that (reading): "With  
10 apologies for not organizing the suggested meeting sooner", and  
11 then suggests a meeting on the 11th of March, to which  
12 Ms Smith-Maduro says she could make it, she can be available.

13 Now, before I ask you any questions about that, can  
14 you turn up 2818, please.

15 A. 2818, okay.

16 Q. Now, this is part of the same e-mail chain, but you  
17 interpose an earlier point in the chain on the 7th of March  
18 2020. This you say (reading): "FS, I still think we need to  
19 have the meeting requested by DS Maduro as this matter needs  
20 addressing as it presents exposures for all concerned".

21 What did you mean by "presents exposures for all  
22 concerned"?

23 A. Long time, Mr Rawat. I believe what I was referring  
24 to was the same matter I had mentioned before regarding the  
25 level of detail in the Report, which is what I think is the

1 issue that the Deputy Secretary raised when she said I have some  
2 concerns having glimpsed the Report.

3           It's probably lack of detail in the Report, not  
4 substantive enough for the matters that are being addressed.

5           Q. To your recollection, was a meeting held?

6           A. This is around my departure. I was--I departed on  
7 the 9th of March. I see--I don't recall a meeting being held,  
8 no.

9           Q. Did you, aside from raise--did you--aside from  
10 emphasising the need for the meeting, did you raise any concerns  
11 relating to the Report with anybody else?

12          A. No.

13           And I think--I gather from this that the DS would have  
14 raised the matter with me, having looked through the Report, and  
15 I would have--or I read it with her concern, but the meeting  
16 never happened.

17          Q. The meeting, as far as--wouldn't have happened because  
18 that was the end of your contract.

19          A. I was gone, yes.

20          Q. Right.

21           So, during the currency of that second contract, which  
22 obviously extended beyond your time as Permanent Secretary--

23          A. Right.

24          Q. --did you have any other kind of involvement with  
25 managing the contract?

1           A     None.

2           Q.    And you did have any other kind of contact with  
3 Mr Skelton-Cline in relation to performance under the Contract?

4           A.    I think there may be some communication in the e-mail  
5 that I would have communicated mainly on negotiating the  
6 Contract.

7                    And as I said, I can't recall all the details, but if  
8 they were concerned about the Report, they may have been  
9 communicated by the DS rather than myself because I simply could  
10 not take on her responsibility of administering a Contract,  
11 given the portfolio in the Ministry.

12          Q.    So, that was--fell within the scope of the work that  
13 the Deputy Secretary is being asked to do.

14          A.    (Witness nods.)

15          Q.    Give me one moment, please, Mr Malone.

16                    Can I take you back to File 8, please.

17          A.    File 8.

18          Q.    Yes.

19                    It's the smaller file that's--

20          A     Oh, okay.

21          Q     --probably sitting--

22          A.    Okay. Go to File 3, and put this away?

23          Q.    Yes.

24          A.    Okay.

25          Q.    If you turn up again now 7532, please.

1 A. 7532, okay.

2 Q. If you go through to 7534, please.

3 A. Okay.

4 Q. This is drawing on your experience as a consultant.

5 You'll see that at 3.4 it says there (reading): The Consultant  
6 will have a total of 15 days' leave and will recognize bank  
7 holidays observed in the British Virgin Islands".

8 Is that common as a clause in a consultant contract?

9 A. No, never had--I've never had it in mine.

10 Q. You've never been allowed 15 days' leave.

11 A. No.

12 Q. And if you go over to 3.5 (reading): The Consultant  
13 is entitled to a tax-free gratuity of 5 percent of gross salary  
14 upon satisfactory completion of the Contract".

15 Now, do you recall if, at the end of that first  
16 contract, Mr Skelton-Cline did claim a tax-free gratuity?

17 A. I don't recall. The DS will handle that. That's a  
18 matter that--between the DS and the Accounts Officer.

19 Q. Well, did you have any involvement, to your  
20 recollection, during that first contract, and appreciate you  
21 arrived and it was already set up but...

22 A. The only involvement I had is what I mentioned before  
23 with regards to payment and the Report that was submitted for  
24 that.

25 Q. Thank you. If you give me a moment, please.



1 (Pause.)

2 Q. One last matter, if you could help us with this. The  
3 evidence suggests that, moving from Contract 1 to Contract 2,  
4 there was no gap, and so you arrived on, I think, it's  
5 March 2019. The first contract was ongoing. And so--

6 A. I arrived in September.

7 Q. September. Sorry. I'm getting my dates mixed up.

8 A. Yes.

9 Q. So you arrived towards the end of the first contract--

10 A. Yes.

11 Q. --which finished on the 17th of September. The second  
12 contract was due to--and did start on the 18th of September, but  
13 it was only signed on the 2nd of December.

14 A. Okay.

15 Q. So, it was also--the contract specifies that it starts  
16 on the 18th of September.

17 A. Right.

18 Q. It was authorised by Cabinet on the 22nd of November.  
19 It was signed on the 2nd of December.

20 The money, as you canvassed with the Commissioner for  
21 the second contract, was paid out of a budget head under the  
22 Premier's Office.

23 A. Okay.

24 Q. How was the Premier's Office able to pay out on the  
25 Consultant's invoices for September, October, and November if

1 Cabinet had not yet authorised the Contract?

2 A. I don't think I can answer that question. I don't  
3 understand.

4 Q. Well, Cabinet doesn't authorise the Contract until  
5 November 2019.

6 A. Okay.

7 Q. But Mr Skelton-Cline has already started working under  
8 the Contract as from the 18th of September.

9 A. Well, then sometimes contracts are issued  
10 retroactively. Maybe there is an understanding that the  
11 Contract would be renewed, engaged retroactively.

12 Q. I accept that, and that is what Mr Skelton-Cline  
13 explained yesterday as to--

14 A. Okay.

15 Q. --to the difference in dates that he was speaking of,  
16 but just trying to understand the mechanism by which you can pay  
17 a consultant, any consultant--

18 A. Um-hmm.

19 Q. --for work that is being done under contract that has  
20 not yet been authorised.

21 A. There has to be some understanding between the  
22 Consultant and the person issuing the Contract that the Contract  
23 will be issued, and it will be retroactive.

24 Q. To allow the con--because the--

25 A. To allow the work to continue.

1 Q. The Consultant will want the comfort that--of knowing  
2 that if they're going to work for two months, they'll get paid  
3 for it at the end.

4 A. Well, yeah. I would.

5 Q. And how does that work from the Accountant General's  
6 point of view?

7 A. I don't know.

8 Q. As Permanent Secretary, can you authorise a payment to  
9 be made to someone, even if you haven't yet got the--

10 (Overlapping speakers.)

11 A. Well, you can't authorise a payment without a  
12 contract. If the Contract stipulates that the work began at a  
13 certain time, they can pay from the time that the Contract  
14 stipulates the work began.

15 COMMISSIONER HICKINBOTTOM: So, in December, when the  
16 second contract was signed, it had retrospective effect to this  
17 extent, that it would have enabled authorisation for the  
18 payments for September, October, and November to be made?

19 THE WITNESS: That would be my understanding.

20 COMMISSIONER HICKINBOTTOM: Yes--no, no. I  
21 understand.

22 Then there would be a contract, and it would cover the  
23 period September to December and, therefore, that was enough to  
24 authorise the Accountant General to pay.

25 THE WITNESS: Commissioner, I would imagine that there

1 would be some understanding that there will be a contract, but  
2 because of the way bureaucracy works, it may--the paperwork may  
3 not be done.

4 COMMISSIONER HICKINBOTTOM: No, exactly. So, there  
5 may be an understanding that--

6 THE WITNESS: Right.

7 COMMISSIONER HICKINBOTTOM: --that the individual is  
8 going to be paid for this work one way or another. But in terms  
9 of actually doing the paperwork to get the payment made, that  
10 might have to wait until December when there's a contract, and  
11 then the Contract will be the authorisation--

12 THE WITNESS: Correct.

13 COMMISSIONER HICKINBOTTOM: --for payments for the  
14 work that's already been done?

15 THE WITNESS: Right. The Contract cannot issue  
16 payments until it's officially approved.

17 COMMISSIONER HICKINBOTTOM: Exactly,=.

18 THE WITNESS: Right.

19 COMMISSIONER HICKINBOTTOM: Yes, thank you.

20 MR RAWAT: Commissioner, I've referred the end of my  
21 questions.

22 Could I conclude by thanking Mr Malone for coming this  
23 morning to give evidence to the Commission, and also for the way  
24 in which he has done so.

25 Thank you.

1 THE WITNESS: A pleasure.

2 COMMISSIONER HICKINBOTTOM: Can I echo that? Thank  
3 you, Mr Malone, for both your time and also the way in which  
4 you've given your evidence, which has been very clear and very  
5 helpful.

6 THE WITNESS: Okay.

7 COMMISSIONER HICKINBOTTOM: Good.

8 Mr Rawat.

9 MR RAWAT: I'd just like to ask you just to rise  
10 briefly so we can reset the room, and also that will give  
11 Mr. Kasdan a break.

12 COMMISSIONER HICKINBOTTOM: Yes.

13 MR RAWAT: Thank you.

14 (Witness steps down.)

15 (Recess.)

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Session 2

COMMISSIONER HICKINBOTTOM: Mr Rawat. We're ready to resume.

MR RAWAT: Thank you, Commissioner.

Our next witness is Ms Elvia Smith-Maduro.

BY MR RAWAT:

Q. Ms Smith-Maduro, thank you for coming to give evidence this morning. I understand that you are going to make an affirmation.

A. Yes.

Q. You have the words of the affirmation with you?

A. I do.

Q. Could you read those out now, please.

A. I do solemnly, sincerely and truly declare and affirm that the evidence I shall give shall be the truth, the whole truth, and nothing but the truth.

Q. Can we go through some formalities. Could I ask you to confirm your full name for the Commissioner.

A. Elvia Smith-Maduro.

Q. And your professional address?

A. Premier's Office, second floor, Cutlass Tower.

Q. Thank you.

I think you will see that both to your left and to your right there are some bundles. We will need to look at some documents in those bundles as we go through your evidence. I'm

1 afraid to say that we may be having to open more than one bundle  
2 at once but we will try and work our way through.

3 Can I ask you just please to try and keep your voice  
4 up. The microphone in front of you won't amplify--it  
5 records--so it's important that the Stenographer can hear you  
6 clearly so that we can have an accurate record of your evidence  
7 today.

8 A. (Witness nods.)

9 Q. Again, if we can start with a little bit of  
10 background, please. Could you give the Commissioner an outline  
11 of your career in Public Service.

12 A. Well, I started in the Public Service in 1996 and  
13 started as a administrative cadet, worked my way up, Finance  
14 Officer, Assistant Secretary and now a Deputy Secretary.

15 Q. And as Deputy Secretary in the Premier's Office, there  
16 have been occasions when you've acted as Permanent Secretary; is  
17 that right?

18 A. There have been.

19 Q. And is it right that, in March of 2019, you were  
20 Acting Permanent Secretary in the Premier's Office?

21 A. That is correct.

22 Q. And did that continue for the period until Mr Kedrick  
23 Malone came on a contract to take up the position of Permanent  
24 Secretary?

25 A. That continued until about August 2019.

1 Q. Mr Malone has just given evidence, and he said that he  
2 had a short contract and then he left. Who took over the role  
3 of Permanent Secretary after him?

4 A. Would be the current Permanent Secretary now,  
5 Ms Carolyn O'Neal-Morton.

6 Q. Thank you. Now, the topic on which the Commission has  
7 asked you to attend to assist arises in relation to consultancy  
8 Contracts that were awarded to Claude Skelton-Cline.

9 A. Um-hmm.

10 Q. You may be aware that Mr Skelton-Cline gave evidence  
11 to the Commissioner yesterday?

12 A. I'm aware.

13 Q. But he was called as a result of the evidence that the  
14 Commission has gathered, in particular the documentary evidence  
15 from government bodies, but on the basis of that evidence, the  
16 Commissioner directed that you be sent what we call a Warning  
17 Letter which just sets out potential criticisms. Such letters  
18 have historically been described as "Salmon Letters". They are  
19 confidential. The letter to you has not been published. But  
20 the purpose of it is to bring to your attention or to notify you  
21 of potential criticisms that arise from the evidence so that you  
22 can have an opportunity to respond. They are, as I said to  
23 others, just potential criticisms. They do not form either the  
24 provisional or concluded view of the Commissioner.

25 Now, in response to that letter, you have produced a



1 written response. Can I confirm that you have copies of that  
2 written response with you?

3 A. Yes.

4 Q. Can you confirm that the first one was dated the 1st  
5 of October 2021 and carries your signature?

6 A. Yes.

7 Q. And you have today, 5th of October, also submitted a  
8 supplementary response which corrects a point that you made at  
9 paragraph 12 of your written response; is that right?

10 A. Correct.

11 Q. And that carries your signature as well, doesn't it?

12 A. Yes, it does.

13 Q. Can I ask, Mrs Smith-Maduro, are you content that  
14 those two documents should stand as part of your evidence before  
15 the Commissioner?

16 A. I am content.

17 Q. What I would like to do is, I'm not going to read out  
18 every detail of the Warning Letter, and I'm not going to read  
19 out the whole of your written response. What I would like to do  
20 is just take you through some parts of it and just ask you some  
21 additional questions, if I may.

22 In--taking you to the first one, you explain that, in  
23 March or early March 2019, you were asked by the Premier to  
24 liaise with Mr Skelton-Cline in relation to a contract. Can you  
25 give the Commissioner, if you know, any further detail as to how

1 Mr Skelton-Cline contacted the Premier?

2 A. I am not aware of how he contacted the Premier. I was  
3 just advised that--by the Premier that Mr Cline would more than  
4 likely make contact with me to submit a proposal for services  
5 that he feels he can lend to the Government.

6 Q. If you take up bundle 3, please, from the shelf, and  
7 turn up page 2647, please.

8 What you should have is an e-mail from  
9 Mr Skelton-Cline to you dated March the 8th, 2019. Do you see  
10 this?

11 A. I see it.

12 Q. And what he's saying is he attaches an example of a  
13 document which we can see at page 2643.

14 A. Repeat that, please?

15 Q. 2643.

16 A. 2643.

17 Um-hmm.

18 Q. And it's headed "strategic advisory agreement" and  
19 sets out that the advisor has experience in strategic planning,  
20 political advice, overall business development in the British  
21 Virgin Islands and internationally". And then sets out various  
22 duties.

23 Now, this was the document prepared--submitted by  
24 Mr Skelton-Cline.

25 When you refer in your response to a written proposal

1 from him, is this the document that you're referring to?

2 A. This is the document I'm referring to.

3 Q. And is that the only document you received from  
4 Mr Skelton-Cline in terms of a proposal?

5 A. In terms of the services that he was offering, this is  
6 the only document that I have in my records of receiving from  
7 him.

8 Q. He had put the term of the Contract or he proposed a  
9 four-year term. If you turn through to page 2649--

10 A. Um-hmm.

11 Q. --Mr Skelton-Cline suggests an Effective Date of  
12 March 14th, and then at 2651--

13 A. Um-hmm.

14 Q. --at the very bottom there, he makes the point that  
15 the remuneration would be \$196,000. I take it that that's on an  
16 annual basis. Is that your understanding?

17 A. Not immediately. I had to seek clarity from him  
18 whether he was referring to--for the four years or whether it  
19 was annually.

20 Q. And when you sought that clarity, what was the answer?

21 A. He indicated it was annually.

22 Q. Now, you then--and we see this at 2653--

23 A. Um-hmm.

24 Q. --having explained to Mr Skelton-Cline that any  
25 proposal he submitted, you would have to put into the standard

1 contract format for Government.

2 A. Yes.

3 Q. You then sent him on the 14th of March an attached  
4 draft contract asking him for feedback.

5 A. Yes.

6 Q. So you could get the Premier to sign off on it.

7 Now, obviously things are moving relatively quickly.  
8 He contacted you on the 8th of March, and you then have  
9 submitted--sent him a draft contract by the 14th.

10 Between that time, between those two dates, did you  
11 have any discussions with anyone as to what the role would  
12 involve?

13 A. Yes. I did advise the Premier that I had received his  
14 proposal. I would have discussed his proposal with the Premier,  
15 and the Premier would have given me his thoughts on it in terms  
16 of the specific areas that he wanted him to pay attention to.

17 He did say that he did not agree, so neither did I,  
18 agree to the amount he wanted in terms of he thought it was a  
19 bit too high, but he would try him out for a short period to  
20 determine whether or not it would be a viable working  
21 relationship on a more long-term basis.

22 So, he advised me to give him a six months' contract  
23 in some specific areas where he thought would be some quick wins  
24 and some quick gains, that he would possibly be able to deliver  
25 within six months, and that is what the draft contract would

1 have reflected, safe to say that we inadvertently used the wrong  
2 contract template.

3 Q. That's a point you make in your written response. I  
4 will show you the Contract template in a moment, and you can  
5 perhaps draw the Commissioner's attention to where that  
6 occurred.

7 But before--as part of sort of that process of getting  
8 to a point where you're started to negotiate a contract with a  
9 consultant, you've received a written proposal, but do you do  
10 any due diligence to see whether that person is suitable for the  
11 role?

12 A. Based on my discussions with the Premier, my  
13 understanding was that he was going to be the Premier's personal  
14 advisor, and so being a personal advisor, it would be difficult  
15 to tender such a project position like that because the Premier  
16 has to be satisfied with this person. He has to have a certain  
17 comfort level with this person, so this is not something that  
18 would normally be tendered for because it is so personal to the  
19 Premier or the Minister who the person is going to serve.

20 Q. That's a point we may need to come back to, but I was  
21 trying to take you to the point where even before you've signed  
22 the first contract, you've obviously received a written  
23 proposal. You've had a discussion with the Premier in terms of  
24 what the Premier is willing to agree to contractually.

25 But do you--is it routine to do any other kind of

1 research on someone to see whether they are a suitable person  
2 for the role?

3 A. Well, his proposal gave us some indication of his  
4 qualification.

5 Also, we are aware where we all live in a very small  
6 community, and we are aware that Mr Cline was a candidate in the  
7 2011, I believe, elections, so we know he had that political  
8 knowledge and affiliation.

9 We know that he was the--he was previously hired,  
10 having not been successful during that election cycle, he was  
11 actually hired on a consultancy basis as a special advisor in  
12 the then-Ministry of Communications and Works.

13 He also went on to be the Managing Director of the BVI  
14 Ports Authority for a period of time, and in those duties he  
15 would not have been responsible for not only the overall  
16 operations of the ports, including staffing and the workflow and  
17 the business side of the port development--Ports Authority, but  
18 would have also been the person supervising and managing,  
19 overseeing the development of the Tortola Pier Park.

20 So, from that knowledge of his experience, we thought,  
21 the Premier thought, and I agreed, that it was worth giving him  
22 an opportunity to see what he could deliver.

23 Q. Were you aware that in the role that--you have spoken  
24 of Mr Skelton-Cline's previous role as a consultant in a  
25 previous administration. Were you aware that that had come

1 under the scrutiny of the Public Accounts Committee of the House  
2 of Assembly?

3 A. I was not aware--I was aware that there was a report  
4 on the Pier Park by the Public Accounts Committee, but that I  
5 was not aware of the contents of that Report.

6 Q. So, in terms of, if that Report said anything critical  
7 about Mr Skelton-Cline--

8 A. No.

9 Q. --it was not something that would have been brought to  
10 your attention?

11 A. No, it was not something that I had sight of.

12 Q. One of the matters that we canvassed with  
13 Mr Skelton-Cline was his involvement in the Virgin Islands  
14 Neighborhood Partnership Project. Was that something that you  
15 were aware of?

16 A. I am aware of his involvement in that Project, yes.

17 Q. Were you aware of a critical report relating to his  
18 involvement in that Project?

19 A. I was not aware of a report on that Project.

20 Q. I mean, you say it's a small community, but when  
21 you're recruiting for this sort of role and you've explained why  
22 it's not a role that can be tendered, do you do internet  
23 research on people?

24 A. Not necessarily unless it's somebody that we are not  
25 very much familiar with. So, if it's somebody coming from the

1 outside, we may do--that may happen, but someone in the  
2 community who you see every day, more than likely not.

3 Q. I mean, in this case, would it have been useful, do  
4 you think, to have done internet research to see if there was  
5 anything critical said about the person you were wanting to  
6 appoint?

7 A. Well, having again it was a personal choice of the  
8 Premier, and it's, you know, we are guided by his personal  
9 choice in a role like that. And given his track record of his  
10 performance at the Ports Authority, that is--and we know that he  
11 was very much involved in the political scene prior, that is the  
12 knowledge we drew on. Having not been privy to any negative  
13 reports, we went by what we knew.

14 Q. And when you say "we," who else in the sort of--

15 A. When I say "we", I'm guided by the Premier, and again,  
16 it's his personal choice.

17 Q. Because this was the sort of appointment where the  
18 personal choice of the Minister concerned is a very important  
19 thing?

20 A. Yes, it is.

21 As a personal assistant advisor, it is personal to the  
22 Premier.

23 Q. I see.

24 Can I ask you just to pull up bundle 8. It's the  
25 smaller bundle at the end. If you go towards the end of the



1 bundle, turn up page 7532, please.

2 A. Yes.

3 Q. Now, this was the first contract. It was a Petty  
4 Contract, and you--this would have been the Contract that you  
5 would have drawn up. If you turn through, Mrs Smith-Maduro, if  
6 you go to 7540--

7 A. Um-hmm.

8 Q. --we see that it's the--7540 is the page on which  
9 you've signed on behalf of the Premier's Office--

10 A. Yes.

11 Q. --on behalf of the Government?

12 A. Yes.

13 Q. We've had evidence that certainly in this  
14 administration the Premier signs all contracts. Is there a  
15 distinction between Petty Contracts and Major Contracts in terms  
16 of who can sign?

17 A. At the time this was executed, he had not  
18 necessary--he had not put that policy in place as yet.

19 Q. The--

20 A. This was very early in the Administration, so...

21 Q. And so that policy then came in subsequently?

22 A. It would have come subsequently.

23 COMMISSIONER HICKINBOTTOM: I'm sorry to interrupt,  
24 just so that I'm clear--I think I am--so, at the time you signed  
25 this, it was the policy or the convention that PSs signed Petty

1 Contracts?

2 THE WITNESS: They were allowed.

3 COMMISSIONER HICKINBOTTOM: Yes. Thank you.

4 BY MR RAWAT:

5 Q. If we look, Mrs Smith-Maduro, at the details of the  
6 contract, so the Contract is signed, and this is at page 7533.  
7 It's signed on the 27th of March 2019.

8 A. Um-hmm.

9 Q. But it's set to run for six months but starting two  
10 days early on the 20th of March 2019. There is a monthly salary  
11 16,330.

12 A. Um-hmm.

13 Q. Together with an expenditure in terms of telephone and  
14 other reasonable expenses of \$350 a month.

15 A. Um-hmm.

16 Q. And then thereafter the Government contracts to  
17 reimburse the Consultant for all agreed travel and accommodation  
18 expenses.

19 Now, the point I think you were making earlier arises  
20 at 7535, Clause 3.5 because, on that, what the Contract entitles  
21 Mr Skelton-Cline to is a tax-free gratuity of five percent of  
22 his gross salary upon satisfactory completion of the Contract,  
23 and in your written response you'd explained that that's the  
24 template error, and that Clause shouldn't have been in this  
25 Contract.

1           A.    It should not have been.

2           Q.    But it was, and I think initially your research had  
3 indicated that Mr Skelton-Cline hadn't, actually, claimed the  
4 gratuity or the fact that you had spoken to him and he'd agreed  
5 not to claim it; is that right?

6           A.    No.  He had agreed as--well, when we realized that we  
7 had, in fact, used the wrong template, I think his contract may  
8 have already been completed, expired, but I would have spoken to  
9 him.  I think it might have been sometime of either expired or  
10 coming close to expire.  And I recall having a very in-depth  
11 discussion with him to let him know that, unfortunately, we had  
12 used the wrong template.  The gratuity should not be in it.  So,  
13 you know, as he was not entitled as a consultant.  I had used an  
14 employee contract template in error.

15                   And if he would--if he was successful in getting any  
16 future contracts from the Government, it would be removed, and  
17 he--you know, he agreed.  I did make attempts to, you know, try  
18 to get him to forego claiming it, but I was not successful at  
19 that attempt.

20                   COMMISSIONER HICKINBOTTOM:  Okay.  No, that's very  
21 helpful, thanks.

22                   So, the template that was used was an employee  
23 template?

24                   THE WITNESS:  It was an employee template.

25                   COMMISSIONER HICKINBOTTOM:  That may, for example,

1 explain paragraph 3.4 which is on 7534, the previous page, gives  
2 him 15 days' leave.

3 THE WITNESS: Right.

4 COMMISSIONER HICKINBOTTOM: And bank holidays, which  
5 is an employee--

6 THE WITNESS: Right.

7 COMMISSIONER HICKINBOTTOM: So that the gratuity, as  
8 it were, accidentally left in.

9 THE WITNESS: It was accidentally left in, and I must  
10 say--

11 COMMISSIONER HICKINBOTTOM: I'm sorry, go ahead.

12 THE WITNESS: And I must say from that experience, and  
13 hindsight is always 20/20, and so from that experience we have  
14 since adopted having the Attorney General vet all our contracts  
15 before we sign them just to make sure that we don't, you know,  
16 have anything in there that should not be in there, and we don't  
17 miss important clauses such as those.

18 COMMISSIONER HICKINBOTTOM: Okay. But, I mean, this  
19 was let in accidentally. And then after the six months had run,  
20 I think, you had a conversation with Mr Skelton-Cline, said this  
21 had been left in accidentally.

22 THE WITNESS: Yes.

23 COMMISSIONER HICKINBOTTOM: It would not be in future  
24 contracts.

25 THE WITNESS: It would not be in future contracts.

1           COMMISSIONER HICKINBOTTOM: In relation to this, you  
2 had a lengthy conversation with him trying, I think, to persuade  
3 him not to claim it, but he claimed it--

4           THE WITNESS: But he claimed it, yes.

5           COMMISSIONER HICKINBOTTOM: Is that a fair summary?

6           THE WITNESS: He claimed it, and it was paid.

7           COMMISSIONER HICKINBOTTOM: Yes. Thank you very much.

8           BY MR RAWAT:

9           Q. But the effect of Mr Skelton-Cline claiming the  
10 gratuity and the size of the Contract was that the total value  
11 of the Contract was \$102,000--\$102,879?

12          A. The effect of him claiming the gratuity did put the  
13 Contract over the Petty Contract limit.

14          COMMISSIONER HICKINBOTTOM: But, in fact, it wasn't he  
15 claiming it because, under 3.5, on its face--

16          THE WITNESS: Right.

17          COMMISSIONER HICKINBOTTOM: --he was entitled to it.

18          THE WITNESS: Correct. And that was his response. I  
19 signed the Contract, it's in there, I want what--I want to be  
20 paid as per the terms of the Contract.

21          COMMISSIONER HICKINBOTTOM: I think Mr Rawat's point  
22 is that this was a Major Contract from the outset because the  
23 entitlement of Mr Skelton-Cline, on the face of the Contract,  
24 from the outset was more than \$100,000.

25          THE WITNESS: And what I would say on to that, again,

1 it was never intended to be there. It was a gross oversight on  
2 our part. We never intended for the Contract to go over the  
3 100,000.

4 COMMISSIONER HICKINBOTTOM: So, it was treated as a  
5 Petty Contract?

6 THE WITNESS: So, it was treated squarely as a Petty  
7 Contract.

8 BY MR RAWAT:

9 Q. And just in terms of where the line is between Petty  
10 Contract and Major Contract, what you also allow is for claims  
11 of \$350 per month in expenses plus any additional expenses that  
12 are agreed.

13 A. Um-hmm.

14 Q. And those could also take you over the Petty Contract  
15 limit.

16 Are expenses ever considered as part of the Contract  
17 value when deciding whether something is going to be a Petty  
18 Contract or a Major Contract?

19 A. Well, because it's very difficult to determine what  
20 those expenses might be, so, for instance, if the Premier asked  
21 him or would have asked him to travel on his behalf to attend a  
22 meeting or anything, then he would have to--that would have to  
23 be agreed prior. He couldn't just do it on his own, so these  
24 would have been things that would have to be pre-agreed before  
25 he incurs them.

1 Q. So, you don't treat them as part of the contract  
2 price?

3 A. No.

4 Q. Can you help us with another detail, please, which is  
5 who you actually contracted with. Hopefully I will explain this  
6 in a moment, but if you go to 7544.

7 COMMISSIONER HICKINBOTTOM: I don't mean to take you  
8 out of the questions. But just to go back half a step, Mrs  
9 Smith-Maduro. We've already looked at the proposal that was  
10 sent in by Mr Skelton-Cline, the original proposal.

11 THE WITNESS: Um-hmm.

12 COMMISSIONER HICKINBOTTOM: Which you then redrafted  
13 and so on. The original proposal from him was a contract  
14 between obviously the BVIG--the BVIG and Claude Skelton-Cline as  
15 an individual, Mr Claude Skelton-Cline was the Contracting Party  
16 in the draft agreement that he sent you as a proposal.

17 THE WITNESS: Um-hmm.

18 COMMISSIONER HICKINBOTTOM: Okay. That might be the  
19 starting point, Mr Rawat.

20 MR RAWAT: Yeah.

21 BY MR RAWAT:

22 Q. And the contract that's--that you signed,  
23 Mrs Smith-Maduro, is between Grace Consulting and the Government  
24 of the Virgin Islands.

25 When you look at the Certificates of Good Standing,

1 which start at 7544, they refer to Claude O Cline d/b/a Grace  
2 Center. So you have one from the Inland Revenue dated the 28th  
3 of March 2019. You then have a letter dated the 28th of  
4 March 2019 from the Social Security Board explaining they can't  
5 issue a Certificate to Grace Center because the business  
6 relationship with the Board is recent. You then have one again  
7 saying Cline Claude O d/b/a Grace Center is in good standing.  
8 That's dated March the 28th.

9 A Um-hmm.

10 Q And then at 7547, you have a trade licence, again  
11 for d/b/a Grace Center.

12 A. Um-hmm.

13 Q. So, the first question is: Why did the--why was the  
14 Contract with Grace Consulting when the Certificates of Good  
15 Standing were from Grace Center?

16 A. That may have been a textual error.

17 Q. Could one reason be--and that the Certificates of Good  
18 Standing are all dated the 28th of March 2019, which is the day  
19 after the Contract is actually signed?

20 A. Well, we would have asked him, you know, how does he  
21 want the Contract to be issued, and if Grace--by the fact that  
22 we have Grace Consulting, he would have communicated to us Grace  
23 Consulting.

24 Now, you also need to understand that when persons  
25 apply for Certificates of Good Standing, they are normally told,



1 you know, they pay and they're told it will take about three  
2 days to produce. Sometimes for various reasons that does not  
3 always happen and there is a case where we would have done all  
4 the paperwork documentation and set an appointment with the  
5 person to come in to sign the Contract, but when they go to  
6 Inland Revenue or Social Security or what have you, the  
7 Certificates are not ready. I recall at the time when he came  
8 to sign the Contract he said that the Certificates were not  
9 ready, he was told to come back tomorrow.

10 So, it was really a judgment call. Do I allow him to  
11 go away and come back or do I just let him sign the Contract and  
12 he brings them in when they're ready? This is a common thing  
13 that happens all the time with government departments. You  
14 don't always get things back when they say that they will give  
15 them, that they will be ready, for various reasons, whether  
16 they're working understaffed or what have you.

17 But we did say to him that, okay, we'll allow you to  
18 sign, since you're already here, we already set the appointment,  
19 we told you to come, and you came, and we can't do anything  
20 about the fact that, you know, they're not ready when they said  
21 they would be ready. But just be mindful--and we did say that  
22 this to him--you will not be paid until we get these  
23 Certificates of Good Standing.

24 COMMISSIONER HICKINBOTTOM: And the Certificates are  
25 in respect of Mr Skelton-Cline as a d/b/a.

1 THE WITNESS: D/b/a, yes.

2 COMMISSIONER HICKINBOTTOM: Was--the Contract is in  
3 the name of Grace Consulting. The invoices are headed Grace  
4 Consulting and Consultancy Center but as for all checks should  
5 be payable to Grace Center, and I assume that's what the checks  
6 said.

7 Was it in there that all of these were really  
8 Mr Skelton-Cline?

9 THE WITNESS: That was our understanding, that all of  
10 these were Mr Skelton-Cline.

11 COMMISSIONER HICKINBOTTOM: So, in that sense, it  
12 didn't matter because it was--it was him you wanted the  
13 Certificate of Good Standing from, and it was him in respect of  
14 you wanted a trade licence.

15 THE WITNESS: In respect of him, yes.

16 COMMISSIONER HICKINBOTTOM: Okay.

17 THE WITNESS: Whether he's doing business as Grace  
18 Consulting or Grace Center, it's in respect to him.

19 COMMISSIONER HICKINBOTTOM: Yes.

20 BY MR RAWAT:

21 Q. The other slight pickle is when he gave evidence  
22 yesterday, Mr Skelton-Cline also said, well, that what the  
23 Contract should have been with is Grace Consulting Limited or  
24 Grace Limited, but that he had--he didn't have a d/b/a. He had  
25 limited company. Was that something that you were aware of at

1 the time?

2 A. No. We would have been going by what he would have  
3 told us initially, which was Grace Consulting because we would  
4 ask, you know, how is your trade licence? Is it in your name or  
5 is it in a company's name doing business as, and he said Grace  
6 Consulting, and this is how we drafted the Contract.

7 COMMISSIONER HICKINBOTTOM: And also the Certificates  
8 when they came were in his personal name, albeit--

9 THE WITNESS: Right, doing business as.

10 COMMISSIONER HICKINBOTTOM: Yes. Okay.

11 THE WITNESS: And that's common for trade licences.

12 COMMISSIONER HICKINBOTTOM: Yes, yes.

13 BY MR RAWAT:

14 Q. That's it's in someone's--

15 A. For trade licences in the BVI, it's common to say  
16 Claude Skelton-Cline doing business as ABC or even Elvia  
17 Smith-Maduro doing business as. That's just a standard way  
18 contract--

19 Q. Trade licences?

20 A. Trade licences are written in the BVI.

21 COMMISSIONER HICKINBOTTOM: Yes. Thank you.

22 BY MR RAWAT:

23 Q. If you turn, please, to 7542, that sets out the sort  
24 of responsibilities of what's said to be the role, and it's  
25 described as Strategic Advisors, and there are specific areas of

1 focus identified and then duties and responsibilities  
2 identified. Now, you say of this that the areas that you had  
3 consulted the Premier and he described the areas in which  
4 Mr Skelton-Cline was to advise him that the tasks he would  
5 undertake, these are broadly set out in the Contract. Just  
6 clarify, please, what do you mean by "broadly"?

7 A. Where are you?

8 Q. Page 7542.

9 A. Hm-umm.

10 Q. That's what went into the Contract in terms of what  
11 Mr Skelton-Cline was required to do. I've cross-referred that  
12 to your response, the written response you provided to the  
13 Commissioner, where you say that the areas that the Premier  
14 indicated to you--I will read it out, but what you say at your  
15 paragraph 4 is "as I understood this to be a proposal,  
16 Mr Skelton-Cline be appointed as personal advisor to the Premier  
17 on economic development policy. I consulted the Premier and he  
18 confirmed that to be the case". You also describe some of the  
19 areas in which Mr Skelton-Cline was to advise him and the tasks  
20 he would undertake. These are broadly set out in the contract.

21 It was just asking for some more clarification as to  
22 what you mean by "broadly set out".

23 A. Well, the specific areas of focus for the six months  
24 contractual period as I said, it was the Premier's attempt to  
25 give him a trial. This was his trial run to see how he

1 performed.

2           So, in addition to these areas that are listed here,  
3 the Premier could have assigned him additional duties that may  
4 not have been necessarily specified in here based on his  
5 performance, based on his satisfaction of how he was delivering  
6 the services that we had outlined here.

7           Q.    You also referred to a government Press Release dated  
8 15th of April 2019.

9           A.    Um-hmm.

10          Q.    You will find that in that lever-arch file to your  
11 right, the large one.

12          A.    Volume 2 or 1?

13          Q.    Volume 2 which is the larger one.  It's headed  
14 "additional bundle, volume 2."

15                If you go to the very back, page 1062.  This is the  
16 Press Release which says--headed "Government engages"--I will  
17 wait until you catch up.

18          A.    Okay.

19          Q.    Thank you.  So this is the--Mrs Smith-Maduro, the  
20 Press Release to which you refer 15th of April 2019 headed  
21 "Government engages Consultant for crucial development goals".  
22 So, in terms of areas on which the Consultant, Mr Skelton-Cline,  
23 was to focus, what does the Press Release add to what's in the  
24 Contract?

25          A.    There is a bit on the small business development that

1 isn't specifically spelt out in the Contract. That's the  
2 climate change was there and the renewable energy is there, so  
3 what I do see is the small business development that wasn't  
4 necessarily in Appendix A of the Contract.

5 Q. I think if you look at Appendix A under "Jobs  
6 Programme", there is reference to 1,000 Jobs in 1,000 Days and  
7 it ends including assistance on small business development.

8 A. Yes, that is there.

9 Q. So, you can cross-refer between the Press Release and  
10 the index to see, but I suppose my question was directed to  
11 whether there was anything additional in the Press Release as to  
12 additional sort of areas for Mr Skelton-Cline to focus on that  
13 hadn't made its way to the Contract?

14 A. Based on the press release that I'm looking at here  
15 and based on the Contract, it basically sets out what's in the  
16 Contract.

17 Q. I see.

18 Was consideration--I mean, the Contract is set the  
19 27th of March and this is the 15th of April. Was consideration  
20 given to the need whether to amend the Contract or to add more  
21 areas for Mr Skelton-Cline to focus on?

22 A. Again, this is the Premier's personal strategic  
23 advisors--advisor. There may be assignments that the Premier  
24 may give him that were not in the initial--his initial remit in  
25 the Contract, and that is not something unusual.

1 Q. But--I mean, the reason that I ask is because the  
2 Contract specifically says no amendment or modification to this  
3 Agreement shall be valid or binding on any Party unless it's  
4 made in writing and signed by the parties hereto and specifies  
5 the date on which such amendment shall come into operation. So,  
6 that appears to envisage that if there is a variation of the  
7 Contract, both parties have to agree and it has to be in writing  
8 and become part of the agreement. But you seem to be saying  
9 that a Premier or a Minister can just add to the task list, if  
10 you like, of a consultant because they have been designated a  
11 special advisor?

12 A. What I am saying is, based on the development of the  
13 relationship that the Premier has with his personal advisor,  
14 there may be add-on things coming out of the--for instance,  
15 coming out of the youth empowerment and the 1,000 Jobs in 1,000  
16 Days. In terms of putting that together and developing that,  
17 there may be other areas that may pop up that may fit into that.

18 For instance, when we looked at empowering youths,  
19 there was a youth Development Programme where youths were  
20 trained to enter into the job market. And he would have  
21 spearhead and worked very closely with various government  
22 agencies, including the college, to put that training on.

23 So, those are some of the things, when I say  
24 "broadly," these are some of the things that may pop up as you  
25 begin to implement, things will begin to come up, and so you

1 will implement those.

2           So, they may not all be spelt out specifically in the  
3 Contract, but things will come up as a result of implementing,  
4 you may have to shift a focus here or there based on an obstacle  
5 or based on something else that arises.

6           So, when I say "broadly," it's not necessarily that  
7 we're going to stick to this hard-and-fast because, yes, he has  
8 to deliver these, but coming out of delivering 1,000 Jobs in  
9 1,000 Days, as you begin implement, you may find that it takes  
10 you down another path. He was very instrumental and we were  
11 well on our way before COVID hit and put an end to that. In  
12 talking to the cruise lines in terms of what would be the  
13 possibility of getting some of our young people to work on  
14 cruise ships, to give them that experience as part of the marine  
15 training facility.

16           So, again, when I say "broadly," these are some of the  
17 areas you may find yourself venturing into or things that may  
18 pop up from time to time.

19           COMMISSIONER HICKINBOTTOM: In the Appendix A over the  
20 page, there's a bullet point, these are bullet points of duties  
21 and responsibilities, so it's on page 7543, and that's acting as  
22 key advisor to the Premier on critical changes in the political  
23 and external business environment that might impact current and  
24 future initiatives.

25           So, what you're saying is, Mrs Smith-Maduro, is it



1 comes as no surprise--it would come as no surprise if the  
2 Premier had added items to the list on the previous page or  
3 given Mr Skelton-Cline other work to do as his personal  
4 Strategic Advisor?

5 THE WITNESS: It is nothing unusual.

6 COMMISSIONER HICKINBOTTOM: No. Thank you.

7 BY MR RAWAT:

8 Q. One of the documents that you provided along with your  
9 written response is a draft of the press release and we see that  
10 in the same bundle at 752--sorry, 782, the bundle, the  
11 additional bundle--

12 A. 7582?

13 Q. Sorry, 782.

14 COMMISSIONER HICKINBOTTOM: If you're looking at  
15 anything with four digits, that may be the wrong bundle, Mrs  
16 Smith-Maduro, because I've got the wrong bundle.

17 BY MR RAWAT:

18 Q. It's in the larger lever-arch file, Ms Smith-Maduro.

19 A. This one?

20 Q. Yes.

21 So, what came with your written response was a large  
22 lever-arch file and a small one, and we are going to call them  
23 the "Additional Bundles".

24 A. Right.

25 Q. Now, this is wasn't the final draft, but it's been

1 provided, and it seems to be a draft on which Mr Skelton-Cline  
2 made some comments. And if we look at how it ends, it  
3 concludes: "The value of the consultancy is \$98,000 but the  
4 results of which can benefit the Territory tens of millions of  
5 dollars in the short to medium term".

6 Now, you had there a contract now for six months.  
7 What was your understanding at that time, March-April 2019, of  
8 what was meant by "short to medium term"?

9 A. Short to medium term could be anywhere from a few  
10 months to about a year.

11 Q. But was Mr Skelton-Cline representing that the work he  
12 was intending to do would have benefits within the currency of  
13 the Contract?

14 A. It could potentially have, yes.

15 In instituting the 1,000 Jobs in 1,000 Days, I mean,  
16 you're not necessarily looking at--and I don't think the tenets  
17 of or the spirit of the Press Release or what was said would  
18 mean that you would see it immediately in six months. But as a  
19 result of him implementing these things within six months to a  
20 year, we should see the economic benefiting to roll in, so it's  
21 not necessarily a hard and fast six months within the time that  
22 he is to implement or execute these things. But as a result of  
23 him implementing these things within in a relatively short  
24 period of time, six months to a year or even three to four  
25 months to a year, you should begin to see the benefits of them.

1 I believe that is the spirit in which the Press Release was  
2 written.

3 Q. So, I take you to your written response at  
4 paragraph 6. You deal there, Mrs Smith-Maduro, with Premier's  
5 position and what the Premier wanted in terms of the Contract.

6 Now, you mentioned some of these already, for example,  
7 the Premier wasn't willing to agree to a four-year term.

8 A. Right.

9 Q. But what you also said is that "the Premier asked that  
10 there should be a duty on Mr Skelton-Cline to produce a written  
11 report at the end of the period", and you say: "I included  
12 these terms in the Contract". Although you point out that  
13 though you refer to reports in the main agreement, the appendix  
14 should have set out the detail of that requirement, which it did  
15 not.

16 Now, looking at--and it might just be a typo, but you  
17 have referred to Clause 8.21 in the Contract, which is about  
18 terminating the Contract. Do you want me to show you the  
19 Contract again? Yeah, that smaller file. If you go to 7536.

20 A. Um-hmm.

21 Q. So 8.2, if you look at 8.2, it doesn't refer to  
22 performance or providing a report. It refers to the Government  
23 having the right to terminate the agreement.

24 A. Um-hmm.

25 Q. So I think can you refer me--you must have been

1 referring to 6.1 on 7535.

2 A. I don't understand your question.

3 Q. Well, what you said in your written response is that  
4 you included these terms, which is terms which, you know--you  
5 refer to the Premier not wanting to have a shorter term of six  
6 months.

7 A. Um-hmm.

8 Q. You refer to him wanting to have a basis to terminate  
9 at short notice.

10 A. Um-hmm.

11 Q. You also refer to the Premier asking if there should  
12 be a duty on Mr Skelton-Cline to produce a written report at the  
13 end of the period.

14 A. Um-hmm.

15 Q. And you say: "I included these terms in the  
16 Contracts, say that I now see that although I refer to reports  
17 in the main agreement, the Appendix should have set out the  
18 details of the requirement, which it did not."

19 A. Um-hmm.

20 Q. I'm just trying to identify where it says that there  
21 should be a reference to reports in the main contract.

22 A. Okay.

23 Q. I'm suggesting to you that what you intend to refer to  
24 is paragraph--Clause 6.1 at 7335.

25 A. 8.2 is my reference to--

1 Q. Termination.

2 A. --the right to terminate.

3 Q. Yes.

4 A. The Clause that deals with the reporting is at 6.1,  
5 yes, so I believe I meant 6.1 and not 1.2.

6 Q. Now, in terms of you make the point that it doesn't  
7 appear in the Appendix of the requirement to provide a report  
8 but you then continue that Mr Skelton understood that this was a  
9 requirement. When was that communicated to him?

10 A. It was communicated to him before his contract ended,  
11 that we do expect that he would deliver for us a report on what  
12 he was able to accomplish in the six months, his initial six  
13 months' period.

14 And then again reminded--a reminder was given to him  
15 very close to the end of his contract, that he needed to prepare  
16 the Report.

17 Q. What you do say about, I will put it this way: During  
18 the six months, how did the Premier's Office monitor performance  
19 under the Contract?

20 A. Well, Mr Skelton-Cline was in constant communication,  
21 whether it was through e-mails or he came and had meetings with  
22 the Premier to update him on where he was on various items,  
23 what--you know, whether or not he was experiencing any  
24 challenges, how he intend to mitigate those, and some of them I  
25 sat in on and others he would update me personally on where he

1 was with things like 1,000 Jobs in 1,000 Days, or where he was  
2 with the youth empowerment. I had meetings--I remember one  
3 meeting I had with him with the telecoms people as he looked at  
4 renegotiating with them or beginning those dialogues with them  
5 for renegotiating the agreements. I did have one meeting with  
6 him and the TRC that I can recall. So, I knew exactly what  
7 Mr Skelton--because he was in the office almost on a weekly  
8 basis, at least two to three times a week we saw him. I know he  
9 met with the Premier. Usually he would come sometimes in  
10 the--late in the afternoon towards the end of the day.  
11 Sometimes the Premier would have me in on the meetings,  
12 depending on what they were discussing and other times no, I was  
13 not a part of those meetings. So, we always knew what he was  
14 doing, he checked in very regularly, very constantly. There are  
15 some e-mails back and forth between myself and him on him  
16 updating where he was with the various items.

17           For instance, he would send me various proposal  
18 documents from various individuals or prospective investors on  
19 various different things, we would have discussions on them.  
20 Some we were able to take forward, others not or others were  
21 deferred.

22           And, for instance, you would see that I would have  
23 provided some information on the sea plane operation that he was  
24 exploring, which that came about sometime like within a month of  
25 him signing his Contract. That has not materialised. I mean,

1 it was going good, it was well on its way until COVID, and we  
2 had our various border closures, and it went quiet after that.  
3 Once we come out of COVID, we will see if it's resurrected, but  
4 Mr Skelton was very busy during that initial six months' period  
5 that I can attest to because he was in constant dialogue with  
6 me. He was in the office at least two to three times a week. I  
7 know there were various other occasions where he had meetings  
8 outside the office with the Premier and potential investors.

9 Majority of those I was not a part of, just simply  
10 because of my personal schedule and the times those meetings  
11 were being held, but I am aware that he was very much engaged in  
12 carrying out his duties during that initial six months' period.

13 Q. Were the meetings with you or with the Premier  
14 minuted?

15 A. No.

16 Q. You've produced a number of e-mails, as you've  
17 explained, and you set out helpfully in your written response  
18 that that you've checked, and you found some e-mails and  
19 attachments, but there is obviously nothing else. But also were  
20 the meetings diarised, or was this Mr Skelton-Cline popping in  
21 to see the Premier?

22 A. Most of the time he just popped in, to be honest.  
23 Some of them--some depend on where--if it was--sometimes he  
24 would make appointments with the Premier's private secretary,  
25 but sometimes he would pop in, so it was--it was sometimes both.

1 But more times than not, sometimes he would just pop in.

2 Q. What you say is that--and you've made the point about  
3 that you make in your written response that the nature of the  
4 Contract was depending on--affected by it being a personal  
5 choice of the Premier.

6 A. Yes.

7 Q. You go on, thought, to say that towards the end of the  
8 six months, that Premier told you he wanted to ensure that  
9 Mr Skelton-Cline's activities were monitored by public  
10 officials, and you say in brackets "I believed so there would be  
11 some objective evaluation of his value for money". But why was  
12 value for money not a consideration from the beginning?

13 A. Again, this is a very personal decision of the Premier  
14 or any Minister. It's not something that was unusual for  
15 Ministers or Premiers to have personal advisors.

16 We--as Public Officers, what I can attest to is yes,  
17 Mr Skelton worked on these six things or these five things, and  
18 this was the outcome of them. In terms of the Premier's  
19 satisfaction of whether or not he dealt with them, bringing  
20 about the results that he would want to see which would be youth  
21 empowerment, reducing youth unemployment at that time, whether  
22 he had successfully been able to make any inroads as it relates  
23 to renegotiating the telecoms agreements and the other--the  
24 climate change issue, the renewable energy. We did see him make  
25 introductions to at least two investors for renewable energy,



1 the Power 52. And I don't remember the other one. The other  
2 one I do remember, it was a wind farm, a wind solar farm, that  
3 they were interested in establishing in the Pockwood Pond area  
4 but the name of the Investor or the Company--it was from out of  
5 the US Virgin Islands. I'm not remembering--I can't remember  
6 that right now, only the Premier could say "yes, I'm satisfied  
7 with what the level or the effort that he put in it. I would  
8 want to go forward with giving him additional responsibilities  
9 under a new arrangement".

10           Again, this arrangement was a test run for  
11 Mr Skelton-Cline, and the Premier often does that. Even as we  
12 at the time going back to not only this administration but past  
13 administrations who did employ special advisors. We had no  
14 formal arrangements to pay these persons from other than to  
15 contract them on a consultancy basis because that's all the  
16 mechanism we had.

17           Now that we have formalised it through the special  
18 advisors to the Ministers in the recent Cabinet Decision, but  
19 this is something that the Government, successive Governments,  
20 have been doing for quite some time now. And so, the concept of  
21 it was not strange to us because we had seen it before.

22           But even under this new arrangement with the  
23 Ministers' special advisors, the Premier had brought on a  
24 special advisor, and again on a short-term basis because he  
25 wants to be sure that this is a right fit for purpose. But

1 again only the Premier can determine who those persons will be  
2 because they are so personal to him, and they will have  
3 conversations or in various quarters that us as Public Officers,  
4 cannot--we cannot have those types of conversations. They can  
5 go into--you know, they could go out and make political promises  
6 to constituencies that we as Public Officers we cannot do.

7 So, these are persons that the Ministers and the  
8 Premier would have to be very comfortable with and would have to  
9 have a degree of trust in. And so, in order to build that, the  
10 Premier oftentimes does these short trials.

11 COMMISSIONER HICKINBOTTOM: So, just to summarise  
12 that, Mrs Smith-Maduro, but correct me if I'm wrong, personal  
13 advisor, so very much the Premier's choice and in turn--

14 THE WITNESS: Or the other Ministers.

15 COMMISSIONER HICKINBOTTOM: But--no. But I'm talking  
16 about Mr Skelton-Cline.

17 THE WITNESS: Um-hmm.

18 COMMISSIONER HICKINBOTTOM: Personal advisor,  
19 therefore very much a personal choice. What the personal  
20 advisor is required to do, really a personal choice of the  
21 Minister, although it's set out here in the Contract as to the  
22 five or six matters that the Premier wanted him to pursue,  
23 although the Premier premium could add to those, as you've  
24 described.

25 And in terms of whether the Contract has been, you

1 know, "successful" or value for money, again very much a matter  
2 for the Premier, although in this case there was the Report at  
3 the end of the first six months--

4 THE WITNESS: Yes.

5 COMMISSIONER HICKINBOTTOM: --which set out what  
6 Mr Skelton-Cline had done.

7 THE WITNESS: Um-hmm.

8 COMMISSIONER HICKINBOTTOM: I mean, that possibly  
9 would have been required anyway for Cabinet for the second  
10 contract. But anyway, the Report set out what it'd done, so  
11 there was that done as a crosscheck.

12 But really, whether it was value for money, matter for  
13 the Premier.

14 THE WITNESS: That is a matter for the Premier.

15 COMMISSIONER HICKINBOTTOM: Yes.

16 THE WITNESS: And not only do we need to have the  
17 Report for Cabinet, but it is of practice, and the Premier  
18 specifically requested that at the end of this initial six  
19 months he wants a report, and so it was my duty to ensure that,  
20 at the end of the six months, a report was done.

21 COMMISSIONER HICKINBOTTOM: And we can--you've  
22 explained what, you know, anecdotally what went on in those six  
23 months, but can I take it that the work, the key work, that  
24 Mr Skelton-Cline had done in those six months is recorded in the  
25 Report.

1 THE WITNESS: The key work is recorded in the Report.

2 COMMISSIONER HICKINBOTTOM: Okay. Thank you very  
3 much.

4 Thank you, Mr Rawat.

5 MR RAWAT: Thank you.

6 BY MR RAWAT:

7 Q. Just one point, coming off from your evidence just now  
8 and what the Commissioner has put to you, so you've spoken about  
9 the recent Cabinet Decision which is created or formalized  
10 special advisors.

11 A. Yes.

12 Q. But prior to that--and this would have been  
13 Mr Skelton-Cline's position--he would have been identified as a  
14 consultant to be paid out of a consultancy budget.

15 A. Yes.

16 Q. And you've explained that that has happened in the  
17 past. But even though he's called a "consultant" and he's paid  
18 as a consultant, the framework is still around this personal  
19 choice of the Minister concerned.

20 A. Because, prior to formalising the arrangement, we had  
21 no other mechanism within the Government system on which to  
22 enter into these agreements other than a consultancy  
23 arrangement.

24 Q. Now, dealing specifically with Mr Skelton-Cline,  
25 because we have not received invoices for--or any documents that

1 show whether he claimed any expenses during that six months. Do  
2 you recall paying expenses to him?

3 A. I will have to go back into my records, and I can get  
4 those for you, but I cannot recall at this present moment. I  
5 would have to do a search on that. I'd have to research it.

6 Q. Well, if you do find anything, you will have done  
7 better than several people before you because there have been a  
8 number of requests from the Commission since its inception for  
9 this material, and it hasn't turned up.

10 But the question was: Do you actually recall during  
11 that period of time paying expenses to Mr Skelton-Cline?

12 A. Other than his monthly invoices, at this present time,  
13 I do not recall, but I will have to research it.

14 Q. The monthly invoices, are they the salary invoices?

15 A. Those are the salary invoices.

16 Q. Now, it certainly appears that, from material that  
17 Mr Skelton-Cline provided to you as part of his Report, that he  
18 traveled abroad during the six months, and you've spoken to--you  
19 speak in his--in your written response of him travel--I mean to  
20 travel with the Premier.

21 Now, how would expenses like that have been funded?

22 A. He would have had to claim reimbursement for those. I  
23 think one of them was--may have been funded by the Government,  
24 but that was a one-off. And if he was requested by the Premier  
25 to travel subsequently, it would have to have been on a

1 reimbursement basis. But again, I will have to research that to  
2 see if that actually occurred.

3 Q. Thank you.

4 If you--sticking to a different Volume 2, the  
5 additional bundle, just turn up page 873, please.

6 A. On eight?

7 Q. 873.

8 A. Which bundle?

9 Q. Not bundle 8. The additional material bundle. The  
10 one that has three digits.

11 A. One-seven--

12 Q. It only has three digits: Eight-seven-three.

13 A. Um-hmm.

14 Q. It's a chain of e-mails that I want to show you. You  
15 will see that at the bottom there's an environmental expert who  
16 sends an invoice for \$2,800 to Lenius Lendor, then the Managing  
17 Director of the BVI Ports Authority.

18 A. Hm-umm.

19 Q. He then--this is in--on 14th of June 2019. On the  
20 same day, he forwards it to you, saying (reading): Again the  
21 Authority is in receipt of the following e-mail accompanied by  
22 the attached invoice requesting payment for work that was  
23 requested by no one at BVIPA. Please advise on this matter".

24 If you turn to page 872, you then ask Mr Skelton-Cline  
25 whether he can give any information on the attached invoice, and

1 he, at the top the page, explains that it's related to the use  
2 of a marine engineer. Now, that's one example of the Ports  
3 Authority raising a query with you.

4 If you see at 852, in the same bundle--are you there,  
5 Mrs Maduro-Smith?

6 A. 852?

7 Q. Yes, please.

8 (Pause.)

9 A. All right.

10 Q. What you see there is now in 31st of May 2019,  
11 Mr Skelton-Cline forwards you an invoice which he says should  
12 have been sent a month ago so as to give instruction for payment  
13 from the BVIPA, and if you look overleaf you'll see the invoice,  
14 which is for a survey of the reclaimed area south of the Central  
15 Government Complex.

16 A. Um-hmm.

17 Q. And the total amounts comes to about \$5,500.

18 A. Um-hmm.

19 Q. Can you shed any light on what was going on there?

20 A. What I do recall is this would have been in connection  
21 with the Government for Mr Cline leading efforts to look at the  
22 feasibility of extending the current cruise bay tender to allow  
23 for larger cruise vessels such as the Oasis.

24 And I recall--so it would have--you know, there  
25 wouldn't need to be exploratory work to determine whether or not

1 additional dredging or anything would have been required, the  
2 types of sediment.

3 But what I also do recall about this is, upon  
4 receiving this, asking Mr Lendor to explain what it was about  
5 because I was not aware of it; and so, I cannot instruct  
6 Mr Lendor to pay anything from Ports Authority. It would only  
7 be the Board that has to instruct him to do that.

8 So--I mean, at a later stage, I do recall the matter  
9 being raised in a Board meeting, but at the time, my--I was just  
10 really trying to find out what it was in relation to. I know  
11 that discussions were going on regarding getting a larger cruise  
12 pier. There was also discussions going on about whether or not  
13 in the interim or whether we needed to do that or whether  
14 installing a floating dock, which would serve the same purpose.  
15 So, I know those discussions were going on.

16 So, I would have been at the time trying to find out  
17 from Mr Lendor about that particular invoice and, you know,  
18 advising him, well, then, you know, I can't instruct you, you  
19 would have to take those instructions from your Board, so you  
20 would need to share it with the Board.

21 Q. But it's--on one reading of it, and why we need your  
22 assistance, is that it could appear as if Mr Skelton-Cline is  
23 commissioning experts to do certain work and expecting the Ports  
24 Authority to pay for it.

25 Now, you said you can't instruct the Ports Authority



1 to pay anything.

2 A. No, I cannot do that. That's not in my remit.

3 Q. But under the six-month contract, was it envisaged  
4 that Mr Skelton-Cline could instruct experts to do exploratory  
5 work if necessary?

6 A. No. Mr Skelton-Cline could gather information. He  
7 would still have to bring it back to the Public Officers for  
8 implementing. If there was a matter that needed to be referred  
9 to one of the statutory agencies, it still would have to be the  
10 Premier's Office or the relevant Government department to do  
11 that.

12 Q. But did you pay for any of 95 this work?

13 A. No, I--no, we did not. Not to my knowledge.

14 Q. It just sort of seems to be falling between a number  
15 of stools because the Consultant knows about the work, you don't  
16 know about the work, and neither does the Ports Authority.

17 A. At the time the invoice was presented, I was not aware  
18 of the work. Upon further investigation, asking questions from  
19 the Ports and Mr Cline, that's when I learnt what it was in  
20 relation to. And again, having advisors turning over, then you  
21 would have to let the Board direct you. I cannot direct you on  
22 this.

23 Q. Taking you back to his e-mail that I showed you shows  
24 him not knowing--not being aware as the Managing Director of  
25 something for which he was then invoiced.

1           A.    He--after I would have contacted him, I would assume  
2 he would have done his research because I do recall the invoice  
3 being discussed at a subsequent Board meeting.

4           Q.    But, I mean, we've got two invoices. We've got the  
5 one in May, for just over \$5,000, and we've got the one that's  
6 2,800 from the expert in June.

7                   The one in May--

8           A     Mm-hmm.

9           Q     --Mr Skelton-Cline writes to you and tells you to  
10 instruct the--to give instruction for payment from the BVIPA,  
11 which you've explained is something you cannot do.

12          A.    Again, I cannot instruct the BVIPA to pay on any  
13 invoice. Any--there is--within the BVIPA's policy, there is a  
14 threshold that the Managing Director can deal with. I don't  
15 recall what that is at this moment. Anything above that certain  
16 threshold, it would have to be referred to the Board.

17          Q.    And this takes us back to that second e-mail because  
18 just can you shed any light on the circumstance where neither  
19 the Permanent Secretary nor the Managing Director knows why the  
20 work was done, but the consultant does? And who commissioned  
21 that work? Who commissioned the expert who then put in an  
22 invoice for \$2,800?

23          A.    I cannot respond to that intelligently because I can  
24 only tell you my involvement with it when the invoice was  
25 presented to me.

1 Q. Could we look at that Report, please. I mean, I'll  
2 show you the final report that was submitted at the end of the  
3 six months in--

4 A. What bundle am I in?

5 Q. But if we stick in the bundle, I just want your help  
6 with some of the e-mails that you produced, so the same bundle  
7 that you're in, leaving page--I think you were at page 852.

8 A. Um-hmm.

9 Q. If you go, please, to page 983.

10 A. Yes.

11 Q. 983 is Mr Skelton-Cline e-mailing you on the 25th of  
12 September, attaching the revised Report.

13 A. Yes.

14 Q. And there is further e-mail correspondence on this  
15 because we go to 1053.

16 1053, Mrs Smith-Maduro.

17 A. Um-hmm.

18 Q. Another e-mail from Mr Skelton-Cline to yourself,  
19 attaching the Grace Consulting Report. See if--he says  
20 (reading): "See the following in its amended form per your  
21 request" and this is 30th of September, and you stepped down  
22 from Acting Permanent Secretary and now to--back to the role of  
23 Deputy Secretary.

24 A. Um-hmm.

25 Q. And it then says (reading): Trust this remedy is the

1 points you highlighted", and then overleaf, on the 1st of  
2 October, Mr Skelton-Cline e-mails you to thank you for your  
3 assistance in preparing the Report, and says that he hasn't  
4 heard back from you in relation to the third edit.

5           So, it seems to be the Report itself--and we'll look  
6 at it in a moment, is dated the 13th of September 2019.

7           A.    Um-hmm.

8           Q.    But the Ministry, through you, then required  
9 Mr Skelton-Cline to make edits to it. Can you shed some light  
10 on why that became necessary?

11          A.    Yes, because when he initially submitted his Report,  
12 he did highlight what he did, but there--what was larking was  
13 there was no recommendations, no conclusions. So I asked him, I  
14 said, Well, okay, you said what you did, and I know you've done  
15 these things because of, you know, of interacting with you on  
16 these things, but going forward, you know, there were some  
17 things you were able to complete, there's some things you were  
18 not able to complete simply because of the timeline. What  
19 is--what are your recommendations going forward? And, you know,  
20 what is the conclusion 'cause the Report just seems incomplete?

21          So, it was in that vein that I asked him to, you know,  
22 revise his Reports, give us your recommendations moving forward,  
23 and the conclusions at the end of your assignment.

24          Q.    What were you expecting the Report to tell you?

25          A.    Well, based on--I was expecting the Report to say, for

1 instance, the--as for the 1000 Jobs in 1000 Days, right, he was  
2 able to--we were able to make con--he was able to make contacts  
3 with the businesses. Persons signed up. There was an opening  
4 ceremony to launch the Programme. There was training to teach  
5 the youth how to get into the job market. What then? Where do  
6 we go from here?

7 I mean, you know, it really would take a little bit  
8 more than six months for you to really see this thing completed.  
9 So, in the event that you're not retained to continue or it has  
10 to now be completed by the Ministry or the Department, what are  
11 your recommendations going forward based on the things that  
12 encountered? You know, those were the kind of things that I was  
13 hoping to see in the Report.

14 And so, I asked him to, Well, let's just have your  
15 recommendations, let us just have your conclusions.

16 Q. You can see the Report in bundle 4. Page 3183,  
17 please.

18 A. Three-one?

19 Q. Eight-three.

20 A. Um-hmm.

21 Q. The date on it is September 13, 2019.

22 A. Um-hmm.

23 Q. But given that there was the back and forth by e-mail  
24 that you discussed where you were seeking revisions to it, it  
25 must be right, mustn't it, that actually the true at which the

1 fi--the Report was finalised was sometime after September 13th?

2 A. It was completed after September--finalised after  
3 September 13th. He probably just did not change the date.

4 Q. So, if you look, please, at the Table of Contents,  
5 3185--

6 A Three-one...

7 Q --that gives the Table of Contents.

8 Did it surprise you that Mr--the Report makes no  
9 mention of Tropic Ocean Airways?

10 A. I cannot speak to why he did not include it.

11 Q. What you--the reason I ask is because it's one of  
12 the--in fact, it's the only one from--apart from 1000 Jobs what  
13 the--that you identify in your written response, and you cite an  
14 e-mail that was sent to you attaching a proposal, the e-mail  
15 doesn't record Mr Skelton-Cline's assessment of the proposal.  
16 He's simply forwarding it to you. But thereafter,  
17 Mr Skelton-Cline explained this because, in later reports,  
18 Tropic Ocean Airways does come back on the burner, on the front  
19 burn as he--to use his phrase--from his later reports. But  
20 given that you appear to place some importance on this sea plane  
21 venture, both in your written response and your oral evidence,  
22 today, at the time that you were perusing the Report, did it not  
23 surprise you that there was no reference to Tropic Ocean  
24 Airways?

25 A. I cannot speak to why he did not include it, and I

1 probably just overlooked that he did not include it. I know he  
2 started working on it in his initial six months' contract.

3 Q. If you go to 3189.

4 A. Three-one--um-hmm.

5 Q. As well as the matters that had appeared in Appendix A  
6 to the Contract, Mr Skelton-Cline listed four other matters that  
7 are recorded as (reading): "The following additional areas were  
8 also assigned by the Honourable Premier".

9 Can you--or do you know how these areas came to be  
10 assigned additionally by the Premier?

11 A. As I said earlier, there were discussions between  
12 Mr Skelton-Cline and the Premier that I was not privy to. I was  
13 not in on--the Premier, as his personal advisor, had private  
14 meetings with Mr Skelton-Cline. What he may have assigned him  
15 additionally in those private meetings, I cannot speak to.

16 Q. So you--I mean there are--

17 A. But I do see oftentimes after those things,  
18 those--some of those private meetings, he would send me e-mails.  
19 So, for instance, he did send me an e-mail of contact for the  
20 medicinal marijuana. I do recall him actually organising a  
21 meeting with the Premier and a few of his other Ministers with a  
22 potential investor for the marijuana.

23 There was one meeting I recall regarding the  
24 floating-pier extension, the Carnival. They were in initial  
25 stages of discussion of a possible MOU. Again, when COVID hit,

1 that has delayed some the initiatives that he may have been  
2 working on or started to work on.

3           The Shores Development that went as far as the  
4 Cabinet's approval of the development in principle, again, when  
5 COVID hit, it seemed to have stalled, seemed to have now been  
6 stalled.

7           And the medical schools, we did sign the MOU--the  
8 Ministry of Education did sign an MOU for medical schools.

9           So, those additional items I am aware he worked on,  
10 and I know he did work--put work in on those things, and we do  
11 have some tangible results from that. We have the Medical  
12 Marijuana Bill, which is waiting to be assented to. The  
13 discussions on the extension of the Pier Park stalled with the  
14 COVID coming to the BVI shores, the Shores Development. Again,  
15 that seems to have stalled when COVID manifested on our shores,  
16 and the MOU for the medical schools, as far as I am aware, has  
17 been signed.

18           Q.    The--I'm just trying to try and keep it in a  
19 chronological order, so, I mean--and if I could ask you just  
20 perhaps separate between things you knew at the time and things  
21 you may have learned subsequently because if you take the  
22 example of the medical schools, the evidence of Mr Skelton-Cline  
23 yesterday, in his Report, is that what was the next step that  
24 was required was not an MOU but a need to--for the Attorney  
25 General's Office to review a CARICOM framework, and referred to



1 the Permanent Secretary and Education, so that's what he had put  
2 as a recommendation in a follow-up action.

3 A. And that did happen.

4 Q. Yes, but I appreciate things may have happened  
5 subsequently, I'm just trying to understand what was going on in  
6 September 2019. And taking you back to the question, there are  
7 different ways in which The Honourable Premier could assign  
8 things. He could assign it through you as a Permanent  
9 Secretary, he could have signed it directly, or he could assign  
10 it through a different individual speaking--then speaking to  
11 Mr Skelton-Cline.

12 So, just take, in terms of the additional things that  
13 were assigned, do you know how the Premier came to assign these  
14 matters to Mr Skelton-Cline? Were you involved at all in  
15 assigning these matters to Mr Skelton-Cline?

16 A. I was not involved in the assignment of these matters  
17 to Mr Cline.

18 Q. Before you received the Report, were you aware that he  
19 was working on all four of those additional matters?

20 A. I stated earlier that I am aware, even before the  
21 Report, that he was working on some of these things. And as you  
22 rightfully stated, we saw the manifestation of some of them a  
23 little later on. But I was aware that (1) the Premier wanted to  
24 explore the possibilities of introducing a new revenue generator  
25 for--into the economy through medicinal marijuana. So, if he

1 assigned that to Mr Cline, that would have been no surprise to  
2 me.

3 I know that the mandate for--that he had given to the  
4 BVI Ports Authority was to increase their revenues and to  
5 become--reinvent themselves even in this new post-hurricane  
6 season; and with COVID coming upon us, they had a mandate to  
7 generate more revenue through the port. One of the ways, I know  
8 the Ports was looking at doing this was attracting more cruise  
9 passengers, attracting larger ships, having had Mr Cline at the  
10 Ports before, given his experience and his networking within  
11 that industry, it was not surprising to me that that would have  
12 been assigned to him.

13 The Shores Development, he is a businessman. So,  
14 where his contacts and his networks which would have put him in  
15 the realm to even suggest possible hotel development, again, one  
16 of the initiatives the Premier also wanted to see is to increase  
17 our offerings in the tourism space in terms of luxury results,  
18 so the Tourist Board also had a mandate to increase tourism, the  
19 BVI's position in the tourism space, so attracting--and even  
20 before this present administration, it was a goal of the  
21 previous administration also to have--increase our offerings in  
22 terms of luxury hotels; so, again, that was not a surprise.

23 And for this administration and previous  
24 administrations, work has been in the pipeline for a very long  
25 time, pre-dating this administration, on getting a medical

1 school in the BVI. So, it was want necessarily foreign or a  
2 surprise to me that these are some of the things that may have  
3 come up.

4 Q. You mean, you've spoken of this work going on or some  
5 of these initiatives being desirable to previous  
6 administrations. You've spoken of the involvement of the Ports  
7 Authority, for example. You've spoken about the  
8 Telecommunications Regulatory Commission. What was it that  
9 Mr Skelton-Cline added?

10 A. Public Officers are not necessarily trained in  
11 negotiations on this level. We are of a different discipline.  
12 We implement policies more, and we do administrative things, so  
13 we make things happen administratively and implementation of  
14 policy decisions.

15 When it comes to business arrangements, that is not an  
16 area that most Public Officers are trained in. So, you would  
17 need somebody who understands that business and understands how  
18 to negotiate and how to attract a good deal, things that you  
19 would normally see a Minister or the Premier themselves--you see  
20 it all around the world--would probably do. But they also  
21 employ special advisors or personal advisors to do these things  
22 on their behalf, and this is exactly what Mr Skelton-Cline was  
23 contracted to do on behalf of the Premier, part of his remit.

24 Q. If you take the telecommunications industry as an  
25 example, you have--the evidence the Commissioner has received in

1 relation to telecommunications includes the appointment of a  
2 Chair and Deputy Chair that requires people of a certain  
3 professional skill and technical level.

4 A. Um-hmm.

5 Q. Now, that was a statutory body, which is required  
6 to--will have certain statutory obligations in relation to  
7 telecommunications in the BVI.

8 A. Um-hmm.

9 COMMISSIONER HICKINBOTTOM: Given that that exists,  
10 and statutory bodies can bring in their own consultants. They  
11 can get advice. The Commissioner has heard evidence of, you  
12 know, projects run by statutory bodies where they have brought  
13 in accountants from the private sector, where they brought in  
14 lawyers from the private sector to advise them. Here, you--if  
15 we take telecommunications as an example, where you have a body  
16 that is responsible for telecommunications in BVI, where you  
17 have a board where it has specialist knowledge on it or could  
18 get specialist knowledge, what was your understanding of what it  
19 was in the six-month contract Mr Skelton-Cline was bringing to  
20 the table? What was he going to deliver to Government under  
21 this Contract?

22 A. His assignment, as I understood it, was to work with  
23 the telecommunica--with the TRC to review, arrange the current  
24 arrangements that the--that is currently in place. The Premier  
25 gave Mr Skelton his position on his level of satisfaction with

1 the service that is currently being delivered, and he was to  
2 work with the TRC to renegotiate those arrangements because we  
3 realized that the Contracts for the telecoms were coming up  
4 for--there was a threshold or a time period by which the  
5 Government had to give notice--or the TRC had to give notice  
6 whether or not they wanted to continue under the same  
7 arrangements or they wanted new arrangements. And this was what  
8 Mr Skelton was to work with the TRC to do.

9 Q. Thank you.

10 MR RAWAT: Commissioner, this may be a convenient time  
11 to have a lunch break.

12 COMMISSIONER HICKINBOTTOM: Yes.

13 We have to have breaks in any event for the  
14 Stenographer, but I think, as Mr Rawat says, we'll break for  
15 lunch now. About half an hour, Mr Rawat, if that's sufficient,  
16 and we'll start again at a quarter to 2:00. Thank you very  
17 much.

18 THE WITNESS: Okay.

19 (Recess.)

20 COMMISSIONER HICKINBOTTOM: Just before we recommence  
21 with the evidence of Mrs Smith-Maduro. Ms Eker-Male, could I  
22 raise two points with you concerning Friday's hearing--really,  
23 the hearings on Friday and Monday when we're dealing with  
24 Assistance Grants.

25 Firstly, in preparing for the Hearings, we've noticed

1 that some documents referred to in the elected Ministers'  
2 response to the Auditor General's Report on COVID stimulus  
3 grants were not disclosed either with the response itself nor,  
4 indeed, apparently anywhere else. We obviously need those  
5 documents and quickly. So, we will write to you this afternoon  
6 identifying the documents which appear to be missing. And  
7 obviously we will need them before Friday's hearing.

8           Friday's hearing is going ahead in any event. We  
9 can't, I'm afraid, delay that, and we will do what we can with  
10 whatever documents we've got, but I'm certainly going to direct  
11 that the documents that we will seek from you this afternoon be  
12 delivered to us by the end of tomorrow so that we can at least  
13 look at them before we start questions.

14           I stress that these are documents that are referred to  
15 in the elected Ministers' own response paper. They clearly  
16 ought to have been disclosed earlier. We simply don't know why  
17 they haven't been, but that request will be coming through to  
18 you shortly.

19           Secondly, just to remind you, but again we need this  
20 on time, the elected Ministers'--well, it's really the Attorney  
21 General's legal submissions in relation to Assistance Grants  
22 again needed for Friday because I have to decide before then  
23 whether I need any further assistance; for example, in the form  
24 of oral submissions. Those are due by 4:00 p.m. today, and I  
25 assume we're going to get them by 4:00 p.m. today.

1 MS EKER-MALE: Thank you, Commissioner, thank you for  
2 the advanced warning in relation to the letter we will be  
3 receiving about the documents. That's most appreciated. And  
4 I'll pass that back to the team.

5 In relation to the Attorney General's submissions on  
6 Assistance Grants, I believe we will be writing to you about  
7 that today.

8 COMMISSIONER HICKINBOTTOM: We've had this before, not  
9 I think possibly with you, Ms Eker-Male, but you might be  
10 writing to us, are we getting the submissions by 4:00 p.m.?

11 MS EKER-MALE: I'm afraid I'm not involved with those  
12 submissions, so I can't answer that, but I know that the team is  
13 going to be writing to you about it today.

14 COMMISSIONER HICKINBOTTOM: But writing to us about it  
15 and writing to us with the submissions, they're different  
16 things, given that we are due to start--we're due to hear  
17 submissions on this, if any are required, on Friday. But you  
18 don't--

19 MS EKER-MALE: I'll have to take instructions I'm  
20 afraid, Commissioner, my apologies for this, but we will write  
21 to you and confirm the position and we can do that later today  
22 but I don't have the information available right now.

23 COMMISSIONER HICKINBOTTOM: But could you within the  
24 next, say, two hours get instructions because you're obviously  
25 here on behalf of the Attorney General, as to whether the

1 Attorney General is going to lodge those submissions as directed  
2 by 4:00 p.m. today, and then let me know.

3 MS EKER-MALE: Yes, absolutely. We will endeavor to  
4 get you an answer within two hours. Thank you, Commissioner.

5 COMMISSIONER HICKINBOTTOM: Mr Rawat.

6 Mr Rawat, before you start with any further questions.  
7 Mrs Smith-Maduro, I've obviously read everything that's come in,  
8 including your response to the criticisms, and, of course, the  
9 Report, the Report that we're dealing with now and also all of  
10 the other reports. In the light of your response this morning,  
11 which I perfectly understand, which is that this is a personal  
12 advisor, a contract for a personal advisor for the Premier, and  
13 so the Premier very much involved in identifying him and very  
14 much involved in assessing, for example, whether the Contract  
15 over the first six months should be renewed or a different  
16 contract put in place. I'm not sure it's necessary for us to go  
17 through the detail of the Reports because I assume that, really,  
18 you will say that you weren't integral in the assessment of  
19 whether the Reports were adequate, it was whether  
20 Mr Skelton-Cline gave, and then whatever you want to say value  
21 for money or did what the Premier wanted him to do under the  
22 Contract, which really was a matter for the Premier.

23 Is that right?

24 THE WITNESS: I'm saying that, yes, the Premier is the  
25 only one that could say whether or not he was satisfied with the



1 work that Mr Skelton-Cline performed and whether or not he was  
2 inclined to give him an extension or enter into a new  
3 contractual arrangement.

4 COMMISSIONER HICKINBOTTOM: So the person at the heart  
5 of assessing whether this Report was adequate was really the  
6 Premier?

7 THE WITNESS: Yes.

8 COMMISSIONER HICKINBOTTOM: Yes. Thank you very much.  
9 That just may save a bit of time going through some of  
10 the detail of the Report.

11 Mr Rawat.

12 MR RAWAT: Commissioner, can I thank Ms Smith-Maduro  
13 for that response, it will save time, so what I won't do is take  
14 her through the detail of that first report, which is the most,  
15 I think, substantial status report that's received from  
16 Mr Skelton-Cline. And as you pointed out, that Report can be  
17 seen in the context not only of the disclosure that the  
18 Commissioner has received but also the written response with the  
19 additional documents that are cited there.

20 BY MR RAWAT:

21 Q. What I would like to do, then is just ask for some  
22 assistance just on particular details around the first--a little  
23 bit around the first contract but then perhaps some other  
24 matters in relation to the second and third, and particularly on  
25 the role of yourself as Acting Permanent Secretary and then

1 Deputy Permanent Secretary in terms of what involvement you had,  
2 if you can help the Commissioner there that would--we would be  
3 grateful for that.

4 If I could take you just to Volume 8, please. If I  
5 take you back, please, to 7542, that's the Appendix A that we  
6 were looking at before in the Contract, the first contract.

7 A. 75--

8 Q. 7542.

9 A. 42.

10 Yes.

11 Q. If you turn over to 7543, this is the last entry under  
12 "duties and responsibilities", and duties and responsibilities  
13 "Establishing and reviewing key strategic priorities and  
14 translating them into a comprehensive strategic plan". What was  
15 the comprehensive strategic plan?

16 A. If I am reading this correctly, it says establish and  
17 review key strategic priorities and translating them into a  
18 comprehensive strategic plan. My understanding of the key  
19 strategic priorities would have been falling in the Parties'  
20 manifesto. Those would have been the key strategic priority  
21 areas that the Premier and his Government would have campaigned  
22 on, and that would be the Agenda that they would be seeking to  
23 amend as if they were successful, which they were. So, my  
24 understanding of that would have been for him to review those  
25 and possibly come up with a first draft of a comprehensive

1 strategic plan and how that will be implemented.

2 Q. Did you ever see a first draft of a comprehensive  
3 strategic plan?

4 A. No, I did not.

5 Q. The document that you received at the end of the six  
6 months was that Report?

7 A. It was the Report specific to the specific areas that  
8 were in Appendix A plus the additional areas that the Premier  
9 would have assigned him during the course. That is what he  
10 reported on.

11 Q. If you turn to--if we turn to the second contract, the  
12 first contract expires on the 17th of September. When did  
13 contract negotiations begin in relation to the second contract?

14 A. It would have been sometime in September.

15 Q. If you go to the additional bundle, which is the  
16 bundle--yes, to your right, the lever-arch file on Volume 2, not  
17 the smaller one. Turn up 979.

18 A. Yes.

19 Q. This is an e-mail from Mr Skelton-Cline to yourself,  
20 26th of August 2019. He attaches a descriptive of the Chief of  
21 Staff role per the Premier, and he says the goal is to integrate  
22 the following information by contract renewal and extension  
23 coupled with the oversight duties and responsibilities  
24 previously outlined, and he mentions that the existing contract  
25 ends September and said to have no lapse, and said your kind and

1 serious attention to this from the Premier is appreciated. And  
2 then he also references a model being used in Cayman, which he  
3 will forward to you.

4 So, could you give some context to this Chief of Staff  
5 role, in--to what extent did it feature in the discussions for a  
6 new contract?

7 A. It did not.

8 Q. At all?

9 A. No.

10 Q. So, Mr Skelton-Cline put up the ball of Chief of Staff  
11 only for you to bat it away?

12 A. Yes.

13 Q. If you go back to 728 again?

14 A. Seven--

15 Q. Not in that file, back to the smaller black file, and  
16 turn up, please 7235.

17 This is a Cabinet memorandum from--prepared by the  
18 Ministry of Finance dated the 18th of September 2019.

19 A. Um-hmm.

20 Q. And it concerns the--seeking Cabinet approval and  
21 indeed a waiver for the second contract because that would have  
22 been over the tender limit.

23 A. Um-hmm.

24 Q. And you will see that it sets out details of the  
25 existing contract, and it refers to the Consultant fee per

1 month. And then at 10 and--at 10 and 11 it says this: It  
2 refers to the new administration having been given a mandate for  
3 Ministries to only submit revenue-generating initiatives for  
4 consideration of new funding in the upcoming budget and future  
5 budget cycles, and then that's given as the basis for Grace  
6 Consulting to be retained to identify and implement new  
7 revenue-generating initiatives over a 12-month period at a fee  
8 of \$12,000 per month.

9 And then at 11, we are referred to Grace Consulting  
10 will be tasked with identifying and implementing a minimum of  
11 three revenue-generating initiatives that results in the  
12 generation of revenue to the BVI Government at a minimum of  
13 \$5 million per annum, and there are various attachments.

14 Now, this has to be through the Ministry of Finance, I  
15 take it, because it's going to be a Major Contract; is that  
16 right?

17 A. Correct.

18 Q. Would your office and yourself, as the Permanent  
19 Secretary, have any involvement in preparing this Cabinet Paper?

20 A. Well, I was not the Permanent Secretary at this  
21 time--it would have been Mr Malone--however, because the initial  
22 contract was with Premier's Office, the initial first draft  
23 would have been prepared by my office, Premier's Office, and  
24 then forwarded on to the Ministry of Finance because we could  
25 not take a paper that was over the \$100,000 limit.

1 Q. Now, in terms of preparing it, can you recall because  
2 we haven't seen any earlier drafts of this, but can you recall  
3 which parts of this would have come from the Premier's Office?

4 A. The background information where it is highlighting  
5 what was done under the first contract. So, from Clauses 1 to 9  
6 would have been background information of what had taken place  
7 under the first initial contract, just to give some textual  
8 background history of what Mr Skelton-Cline had done previously.

9 We would have collaborated on the entire document,  
10 really. The Premier was specific about under this new  
11 assignment he wanted Mr Skelton-Cline to focus on  
12 revenue-generating initiatives, and he would have given a value,  
13 and that we would have communicated to the Ministry of Finance  
14 even including it in the first draft.

15 Q. So, the rationale which we see at 10 and 11 would have  
16 come from discussions with the Premier?

17 A. Yes.

18 Q. I see.

19 And once it leaves your Ministry and goes to the  
20 Ministry of Finance to finalise, I mean, they do the steps of  
21 putting up into ExcoTrack so that, for example, the Attorney  
22 General's Chambers can input into the paper or the Ministry of  
23 Finance itself has to input into the paper, doesn't it?

24 A. They do the final steps in finalising the paper.

25 Q. And in terms of what comes back to you in the

1 Premier's Office, would that be a sort of memorandum from the  
2 Financial Secretary giving the outcome of the decision?

3 A. Correct.

4 Q. If we go in this to, please in the same bundle to  
5 7542, please. This is the key appendix again, which I think I  
6 have given you the wrong reference, I'm sorry. I will start  
7 that again.

8 If you start with--

9 COMMISSIONER HICKINBOTTOM: 7528?

10 MR RAWAT: 7528.

11 COMMISSIONER HICKINBOTTOM: Is it the appendix to the  
12 second contract?

13 MR RAWAT: Yes.

14 COMMISSIONER HICKINBOTTOM: Yes.

15 BY MR RAWAT:

16 Q. The second contract, itself, Mrs Smith-Maduro, is at  
17 7550, but we're looking at 7528 because it's the appendix to the  
18 third contract, but it's actually the same detail, but in terms  
19 of drafting the Contract and particularly this appendix, who  
20 would have taken responsibility for that?

21 A. It would have been a collaborative effort between the  
22 Premier's Office and the Ministry of Finance.

23 Q. And though you rightly say that you had stepped down  
24 from your previous role, Mr Malone's evidence this morning was  
25 that you would have been responsible--you would have carried on

1 taking it and that there was a Deputy Permanent Secretary in  
2 charge of sort of contracts and administration, and that fell to  
3 you.

4 A. He instructed me.

5 Q. Would you have retained ownership, though, of this  
6 Project?

7 A. I would have worked on this Contract based on the  
8 instructions from the Permanent Secretary.

9 Q. And who would you have worked with within the Ministry  
10 of Finance?

11 A. I recall having direct communications with the  
12 Financial Secretary only communicating to him the areas what the  
13 Premier wanted in terms of under the new contract for  
14 revenue-generating initiatives. I would have--we would have  
15 discussed who would have taken the lead in supervision because  
16 it was revenue-generating. It would fall under the remit of the  
17 Ministry of Finance and the payment arrangements were maintained  
18 where the Premier's Office would pay, and this Contract would be  
19 really supervised by the Financial Secretary in the Ministry of  
20 Finance simply because of the nature of the tender proposed in  
21 the Contract.

22 Q. So, if the--it was up to the Financial Secretary to  
23 assess whether Mr Skelton-Cline was meeting the requirements of  
24 the Contract?

25 A. Yes.



1 Q. And if the Financial Secretary said "agreed"...

2 A. Once he certified the payments, we would execute the  
3 payments.

4 Q. So, from the point that this Contract came into  
5 play--obviously, in relation to the first contract, you had  
6 direct involvement.

7 A. Yes.

8 Q. From the point that this Contract came into effect,  
9 was that responsibility handed over to the Financial Secretary?

10 A. My involvement in the second contract, save for being  
11 involved in drafting the first initial draft of the Cabinet  
12 Paper and working on the Contract itself, my involvement was  
13 very limited. I would get--we would get the invoices with the  
14 Financial Secretary saying "approved for pay".

15 And I did have a concern about the report, one of the  
16 reports I did see, and I did also share--did inquire with the  
17 Financial Secretary that I had not seen the reports coming in  
18 the frequency that was required, so I was trying to understand  
19 what had, you know, where--what was the discussion because he  
20 reported directly to the Financial Secretary at that point.

21 Q. Can I come back to that because on this appendix,  
22 what--give me a moment.

23 (Pause.)

24 Q. What's required under the appendix is--in fact, we do  
25 need to go to--we need to the small grey bundle. It would be

1 easy for us to do it that way because I just noticed a change in  
2 relation to the two appendices. But if you go to the smaller  
3 grey bundle and go to 317.

4           You will see the last bullet point on that page, and  
5 this is Appendix A as attached to the second contract, refers to  
6 prepare a concise and insightful weekly update and written  
7 reports to the Premier and Permanent Secretary of the Premier's  
8 Office on the progress of the initiatives and other activities.

9           It's a bit confusing because the Contract also  
10 requires the Consultant to deliver to the Financial Secretary  
11 and Premier and Minister of Finance monthly reports, briefings  
12 and other documents as particularised in Appendix A, so it  
13 seemed on the Contract itself to be a disconnect--

14           A.    Um-hmm.

15           Q.    --between the two.

16           When you started off on once the Contract had been  
17 finalised and approved by Cabinet and signed off, what were you  
18 expecting Mr Skelton-Cline's obligations to be in terms of  
19 reporting?

20           A.    Monthly.

21           Q.    And to be sent to the Financial Secretary in the first  
22 instance?

23           A.    In the first instance.

24           Q.    And--

25           A.    And copied to the Permanent Secretary.

1 Q. If you take up bundle 6, please. Let me find the  
2 page.

3 If you go to 5432, please.

4 A. Um-hmm.

5 Q. This is exchanges of e-mails in October and  
6 November 2019. And so, if you look at 5433, Mr Skelton-Cline is  
7 e-mailing you in relation to the draft Contract, and he makes a  
8 point that Grace would not be able to conduct financial modeling  
9 for the rate of \$12,000 a month, and in your response at 5422,  
10 you refer, for example, to the weekly--monthly reports would be  
11 acceptable. And you say that some sort of financial modeling  
12 will be required.

13 A. Where are you?

14 Q. At 5432 in the bundle.

15 A. 5432.

16 Q. So, Mr Skelton-Cline, having raised whether,  
17 essentially saying that Grace would not be able to conduct  
18 financial modeling, you say that some sort of financial modeling  
19 would be required, probably should not be a detailed financial  
20 modeling analysis but you would need to indicate how the  
21 initiative is expected to be financially viable.

22 So, in terms of financial modeling, that is  
23 still--that still ends up in the finalised contract, the  
24 Contract that's signed.

25 What was Government, because it's Ministry of Finance

1 and Premier's Office, what were you expecting from  
2 Mr Skelton-Cline in terms of financial modeling?

3 A. Well, it all depends on the nature of the initiative  
4 that he was presenting. This would have been something I would  
5 have discussed with the then-Permanent Secretary, and we both  
6 were of the opinion that, you know, something should be at least  
7 presented to show how the initiative would be financially  
8 viable, how it would possibly generate some type of revenue or  
9 income.

10 COMMISSIONER HICKINBOTTOM: I appreciate that the type  
11 of modeling--indeed, the type of reports would vary depending  
12 upon the initiative, but the--one of the obligations under  
13 Appendix A was--on Mr Skelton-Cline was to lead commercial and  
14 financial due diligence and prepare briefing documents for  
15 consideration by the Cabinet of the Virgin Islands.

16 So, the plan was, as I understand it, but correct me  
17 if I'm wrong, is in respect of any of these three initiatives.  
18 This was an obligation to prepare briefing papers with all of  
19 the relevant documents, which may include some modeling, to go  
20 to Cabinet so that Cabinet could make a decision as to whether  
21 to proceed with the initiative or not.

22 THE WITNESS: Whatever form or shape those briefing  
23 papers took, that was the general idea based on my discussion  
24 with the then-Permanent Secretary, who raised a concern about  
25 the reporting. And we discussed it, and it was not removed from

1 the contract.

2 COMMISSIONER HICKINBOTTOM: It's not a sort of  
3 reporting issue, is it, Mrs Smith-Maduro. We're talking--I  
4 mean, he had to report monthly.

5 THE WITNESS: Yes.

6 COMMISSIONER HICKINBOTTOM: That was the agreement.

7 THE WITNESS: Yes, but in his brief, in his briefing  
8 to the Premier to whomever the Premier would invite to the  
9 meeting, whether it was to his Cabinet or to his caucus, those  
10 briefing documents, you know, at least should've given you the  
11 synopsis of what the initiative is and what it hopes to achieve.

12 COMMISSIONER HICKINBOTTOM: Yes, yes. Thank you.

13 BY MR RAWAT:

14 Q. If we stay in this bundle and just quickly look at  
15 5435.

16 A. 5435.

17 Q. This is the then-Financial Secretary Mr Forbes asking  
18 you--he's e-mailing you in relation to the Contract for Grace  
19 Consulting and suggesting an amendment, so that suggests,  
20 doesn't it, that you were coordinating the drafting of the--of  
21 the Contract?

22 A. Yes.

23 Q. And if we go to 5449, this is--again, e-mail traffic  
24 where, in January 2020, Mr Malone, then Permanent Secretary, has  
25 asked Mr Skelton-Cline whether reporting requirements have been

1 met as stipulated in the consulting agreement, and he says yes.  
2 And then Mr Malone then e-mails you and Mr Forbes asking are we  
3 satisfied? Did that lead to further discussions--I mean, this  
4 is after the Contract has been signed by all the parties. Did  
5 that lead to further discussions about whether reporting was  
6 being complied with?

7 A. I recall raising a concern with one of the reports  
8 that I was requesting an audience with the Financial Secretary  
9 so I can share my concerns.

10 Q. If I could then--I will take you to bundle 3 here.

11 COMMISSIONER HICKINBOTTOM: What page?

12 MR RAWAT: 2814, please. I'm sorry.

13 COMMISSIONER HICKINBOTTOM: Yes, thank you.

14 THE WITNESS: Two?

15 BY MR RAWAT:

16 Q. 2814, please, Mrs Smith-Maduro.

17 At the bottom there, Mr Forbes has sent you a report  
18 and says it signals my approval to pay the Consultant, and you  
19 then as you say, this is in early January--late January, 24th of  
20 January 2020, you say I've had a quick glimpse through the  
21 Report, I've got some concerns and you would like a meeting.

22 The meeting doesn't happen for some time because at  
23 2813, Mr Forbes e-mails to say to offer apologies for not  
24 organizing the meeting. And suggested a date of 11th of March,  
25 and Mr Malone who is I think coming to the end of his time as a

1 Permanent Secretary, joins on the 7th of March, and you see that  
2 at 2818, and he says: "I still think we need to have the  
3 meeting requested by PS Maduro as this matter needs addressing  
4 as it presents exposures for all concerned".

5 Now, firstly, did a meeting take place?

6 A. I think--I can't recall whether or not the meeting  
7 took place. I know we attempted to Schedule the meeting on  
8 several occasions, and it was rescheduled, but I can't quite now  
9 remember if we actually had that meeting. But by then,  
10 Mr Malone would have been either gone or leaving.

11 COMMISSIONER HICKINBOTTOM: 9th, I think he went on  
12 the 9th of March?

13 THE WITNESS: March, yeah.

14 So, I don't know.

15 There was a lot--I don't remember, I don't recall if  
16 we were to actually able to meet.

17 BY MR RAWAT:

18 Q. The reference to the matter needing addressing because  
19 it presents exposures for all concerned. Can you shed any light  
20 on what that was directed to?

21 A. The Report that I had seen, although it did give a few  
22 areas that he was looking at in terms of possible investment, I  
23 didn't see any--any of the financial bit to it in terms of, you  
24 know, the feasibility of it and on what basis was it being  
25 proposed. And, you know, to at least give the--to give the

1 decision-maker something to really evaluate. I thought that was  
2 missing from the Report, and that is what I wanted to discuss  
3 with the FS to ask Mr Cline to tighten up his Reports.

4 We know he was doing things, we know he was working,  
5 but I wanted to see a tighter report.

6 COMMISSIONER HICKINBOTTOM: Well, you wanted to see a  
7 report better focused upon the deliverables set out--

8 THE WITNESS: The deliverables.

9 COMMISSIONER HICKINBOTTOM: --in the Contract because  
10 in the Report there is frankly nothing in there focused on  
11 deliverables, so that was obviously your concern, I understand  
12 that.

13 And how did that concern resolve itself? You had the  
14 concern, Mr Malone had the concern obviously before he went.  
15 You can't recall any meeting but how is that concern resolved?

16 THE WITNESS: Well, the FS was quite naturally very  
17 busy in those days, so I really, you know, at most I could do,  
18 again, I was not the Permanent Secretary in the seat  
19 anymore--that had now transferred to somebody else--so the most  
20 that I could do was to wait for a meeting--again, I can't  
21 remember if it actually happened. But then I would--there was  
22 one thing I could do was now rely on the FS.

23 Once he signed off on the invoices and said that he  
24 approved, I would then have to assume that he was satisfied.

25 COMMISSIONER HICKINBOTTOM: So, were your concerned



1 addressed?

2 THE WITNESS: Not entirely.

3 COMMISSIONER HICKINBOTTOM: Yes, thank you.

4 Thank you.

5 BY MR RAWAT:

6 Q. And in terms of then your continued involvement  
7 because 9th of March Mr Malone leaves, Dr O'Neal-Morton steps  
8 into the role of Permanent Secretary. Was that immediately or  
9 was there a gap?

10 A. No. That was immediately.

11 Q. And did your role change? I mean, you say that now  
12 you didn't have the same degree of involvement anyway but was it  
13 just to continue at the same level and you were the point of  
14 contact in the Premier's Office on this Contract or did  
15 Dr O'Neal-Morton take things over?

16 A. Well, everything is always directed to the Permanent  
17 Secretary, and then the Permanent Secretary would delegate  
18 accordingly but my involvement in the second contract was very  
19 minimal, and because I was not in the Permanent Secretary role,  
20 I would be copied on things, but I--

21 COMMISSIONER HICKINBOTTOM: Anything monitored by the  
22 FS?

23 THE WITNESS: It was being monitored by the FS, and so  
24 I trusted his judgment.

25 COMMISSIONER HICKINBOTTOM: Thank you.

1 BY MR RAWAT:

2 Q. Would it be fair to say you didn't have a monitoring  
3 role in relation to either the second or the third contract?

4 A. No, I did not.

5 Q. So, it just came down to and this is not necessarily  
6 you that had to do this, Mrs Smith-Maduro, but the Premier's  
7 Office's role was to pay out--

8 A. Facilitate the payments.

9 Q. --once the FS had given approval?

10 A. Once the FS was satisfied and had approved the  
11 invoices.

12 Q. In terms of the third contract, did you have any role  
13 there in drafting the paper that went to Cabinet or in drafting  
14 the Contract itself?

15 A. I don't even--I can't recall. I can't recall.

16 Q. One other matter to bring to your attention--I can  
17 take you to the document if you need to see it, but on the--you  
18 said how you expected monthly reports once the second contract  
19 was set up. On the 6th of May 2020, Mr Forbes e-mailed yourself  
20 and said that "I'd forgotten to let you know that I had agreed  
21 with Mr Cline that instead of producing a report each month, he  
22 should do so on a quarterly basis". Do you recall being told  
23 that?

24 A. I do recall that e-mail. I do recall the e-mail.

25 Q. Now, when we look at the reports that the Commissioner

1 has been provided with, even if one accepts that Mr  
2 Skelton-Cline's obligation was just Quarterly Reports, from the  
3 start of the second contract, we have five reports instead of  
4 eight. Do you know if that was ever raised with  
5 Mr Skelton-Cline?

6 A. The FS will have to--I don't know. I wasn't very--I  
7 wasn't involved at all in that contract.

8 COMMISSIONER HICKINBOTTOM: So, in terms of--I know  
9 you had the e-mail about the quarterly reporting dates rather  
10 than monthly, but in respect of that, and in respect of the  
11 reports that came in or didn't come in, as I understand it, that  
12 was a matter for the FS because they were responsible for the  
13 monitoring.

14 THE WITNESS: It was--they were responsible for  
15 monitoring.

16 I suppose I was copied out of courtesy, but the  
17 conversations at that point were between himself and the  
18 Permanent Secretary.

19 COMMISSIONER HICKINBOTTOM: Thank you.

20 BY MR RAWAT:

21 Q. Mrs Smith-Maduro, I hope you still have bundle 3 with  
22 you.

23 A. Yes.

24 Q. You if turn up page 2809, please.

25 A. Um-hmm.

1 Q. Just your assistance with these e-mails because it's  
2 e-mails between the Accountant General and Mr Forbes when he was  
3 Financial Secretary.

4 A. Um-hmm.

5 Q. And what had happened, if you look at the bottom of  
6 the page was that--and this was in relation to the first  
7 contract.

8 A. Um-hmm.

9 Q. Which took effect from March 25, 2019, the Accountant  
10 General writes, and what had been requested was an advance  
11 payment, and the Accountant General says we do not give advance  
12 payments to consultants.

13 Mr Forbes then replies on the 9th of April to the  
14 Accountant General saying I agree with your position, advise you  
15 do nothing more than you propose to do in the circumstances.

16 He then writes: "I am writing, under separate cover,  
17 to the PS, Premier's Office's acting documenting my concerns  
18 with the contract that has been entered into with Claude  
19 Skelton-Cline d/b/a as Grace Consulting".

20 Did Mr Forbes write to you raising concerns about that  
21 contract?

22 A. I can't remember, but I believe he did, but I can't  
23 remember the details of--we did--he did have a discussion with  
24 me concerning the Contract, yes.

25 Q. But you cannot answer at this time remember what that

1 discussion was?

2 A. Without seeing exactly what he said I can't remember  
3 off the top my head.

4 Q. This e-mail is the sum total of what we know is what  
5 he said. So, if you can't help that, that's fair enough.

6 But is it also right that advance payment is not made  
7 to consultants?

8 A. No, they're not.

9 MR RAWAT: Commissioner, I think I have reached the  
10 end of my questions. Can I conclude by thanking  
11 Mrs Smith-Maduro for coming today. It's been perhaps a little  
12 longer than she might have expected, but we're grateful for her  
13 time, and we're also grateful for the way in which she has given  
14 her evidence today.

15 COMMISSIONER HICKINBOTTOM: Yes. And can I reiterate  
16 that, thank you very much, Mrs Smith-Maduro, both for your time  
17 and the clear way in which you have answered the questions.  
18 Thank you very much.

19 THE WITNESS: Thank you.

20 (Witness steps down.)

21 MR RAWAT: Could I ask you just to rise briefly and we  
22 will set up the room for the next witness.

23 COMMISSIONER HICKINBOTTOM: Yes. Thank you very much.

24 (Recess.)

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Session 3

COMMISSIONER HICKINBOTTOM: Good. I think we're ready to continue. Thank you, Mr Rawat.

MR RAWAT: Thank you very much, Commissioner.

Our next witness is Dr Carolyn O'Neal-Morton, who's Permanent Secretary in the Premier's Office. Dr O'Neal-Morton has given evidence to the Commission before, and therefore there is no need to ask her to either take an oath or an affirmation--make an affirmation again.

BY MR RAWAT:

Q. Dr O'Neal-Morton, thank you for returning to give further evidence to the Commissioner.

A. You're welcome.

Q. You will have seen that there are a number of bundles on a unit next to you. Hopefully, we won't have to look at all of them.

A. Whoop.

Q. But I'll take you to the documents that I might need to--

A. Okay.

Q. --refer you to as we go through.

As you've heard me say before, could you remember just to keep your voice up, please.

A. I'll do my best.

Q. Thank you.

1           And that's probably just the right volume for the  
2 Stenographer.

3           A.    Yes, sir.

4           Q.    Now, the issue on which the Commissioner is  
5 considering today is the question of consultancy contracts, and  
6 you may be aware that yesterday Mr Claude Skelton-Cline gave  
7 evidence to the Commissioner about the Contracts that he has  
8 provided consultancy work to Government under. You, yourself, I  
9 think, at a much earlier hearing, gave some evidence in relation  
10 to this before we started public hearings. As a result of all  
11 the evidence that the Commissioner has obtained, he directed  
12 that you be sent a Warning Letter which was intended to notify  
13 you of potential criticisms in relation to these contracts that  
14 arise from the evidence available to the Commission.

15           As you will have heard me say, it is just a notice of  
16 potential criticisms.

17           A.    Um-hmm.

18           Q.    It does not amount to either a provisional or  
19 concluded view on the part of the Commissioner. Its purpose,  
20 and I think it used to be called a "Salmon Letter", but its  
21 purpose is to give you an opportunity to respond to the  
22 criticisms, and you have done that, as you have done before, by  
23 providing a written response to the Commissioner.

24           Can I ask, Dr O'Neal-Morton, if you have a copy of  
25 that response with you.

1 A. I have a copy.

2 Q. If you don't, there should be one on the desk.

3 A. I do have one with me.

4 Q. If you want to use the one on the desk, that's fine,  
5 but if you prefer to use your own--

6 A. I'll use my own. I'll use mine, then.

7 Q. Now, can you confirm that that carries your signature  
8 and is dated the 4th of October 2021?

9 A. (Unclear?)

10 Q. Yes.

11 A. Yes, I recall. That is my signature.

12 REALTIME STENOGRAPHER: I'm sorry, could you keep your  
13 voice up, please. Thank you.

14 THE WITNESS: That is my signature.

15 BY MR RAWAT:

16 Q. And can you confirm, Dr O'Neal-Morton, that you are  
17 content for that written response to form part of the evidence  
18 before the Commissioner?

19 A. Yes, I am.

20 MR RAWAT: Commissioner, the--given what  
21 Dr O'Neal-Morton says in the written response and some of the  
22 details which I will elicit from her as we go through, I'm  
23 proposing to take things quite quickly and just focus on  
24 obtaining some additional details, if that is convenient to you.

25 COMMISSIONER HICKINBOTTOM: Yes.



1 Dr O'Neal-Morton, we've heard evidence today from a  
2 number of witness, including Mrs Smith-Maduro.

3 THE WITNESS: Okay.

4 COMMISSIONER HICKINBOTTOM: And her evidence was that  
5 in respect of monitoring the contracts of Mr Skelton-Cline, the  
6 second and third contract, the year contracts, that monitoring  
7 was taken over by the FS and consequently, although she  
8 was--although the Premier's Office was sent copies of the  
9 reports and so on, the reporting function was to the FS and the  
10 monitoring was very much in the hands of the FS.

11 THE WITNESS: Um-hmm, correct.

12 COMMISSIONER HICKINBOTTOM: Is that correct?

13 THE WITNESS: Yeah, that is correct.

14 COMMISSIONER HICKINBOTTOM: Yes. Thank you.

15 BY MR RAWAT:

16 Q. Thank you.

17 And if we again give some more context,  
18 Dr O'Neal-Morton, there were three contracts in total, the first  
19 one beginning on the 27th of March 2019.

20 A. Um-hmm.

21 Q. The second and the third arising later in 2019 and  
22 then in 2020.

23 Now, you, yourself, became Permanent Secretary of the  
24 Premier's Office in March 2020; is that right?

25 A. Correct.

1 Q. So, you would have had no involvement with the first  
2 contract, and you would have arrived at a time when the second  
3 contract was already in place.

4 A. Yes, correct.

5 Q. Now, what you say in your written response is that  
6 when you became Permanent Secretary, you were informed that  
7 Mr Skelton-Cline had been retained by the Premier and was--would  
8 be in the Premier's Office. At that time, did you receive a  
9 briefing as to what his contract required him to do?

10 A. Basically, I was aware that he was a Strategic  
11 Advisor, assigned to the Premier specifically, so that was  
12 basically his remit.

13 But I want to take you back to my appointment. I came  
14 in on the 12th of March, the exact week that COVID was declared,  
15 so most of my stuff was muddled in COVID. So, there were not  
16 really any orientation, so to speak, so most of my knowledge  
17 came as I went along, and I'm still learning at this stage, as  
18 well.

19 Q. So, at the time when you came in, you fairly say that  
20 there would have been much more higher priorities on your  
21 mind--you wouldn't have had an opportunity, for example, to read  
22 the reports that he had lodged already.

23 A. Previously, for the first and second, no, I might not  
24 have directions because I was basically dealing with matters in  
25 the office, getting oriented, and then we moved, so we

1 experienced a lot of stuff at the office.

2 Q. Your predecessor, your immediate predecessor, as  
3 Permanent Secretary was Kedrick Malone.

4 A. Um-hmm.

5 Q. And he explained that within the Premier's Office,  
6 given its portfolio, there would have been roles allocated to  
7 different Public Officers, and in particular spoke of having a  
8 Deputy Secretary who, he described, was in charge of  
9 administration, who would oversee things contracts like  
10 contracts. Did you retain the same setup when you came as  
11 Permanent Secretary?

12 A. No, I didn't retain that setup.

13 What I did was I had Desk Officers, particularly  
14 because I realised that we had a number of Boards, so I wanted  
15 to focus the Desk Officers with the Boards, and, of course, I  
16 had two DSs when I started my tenure. At the beginning of this  
17 year, I now only have one, Mrs Smith-Maduro. So, Mrs  
18 Smith-Maduro tends to get all of the extras; I don't--I'm sorry  
19 to put it that way, but she tends to get all of the extras  
20 because I don't have another DS. I have Assistant Secretaries  
21 who have assignments, as well, administrative assignments, but I  
22 never assigned a DS to contracts and administration like that,  
23 like Mr Malone had. I didn't know that assignment.

24 Q. But in any event, I mean, I suppose it's a  
25 hypothetical because by the sometime you came in, dealing with

1 the content of the reports and monitoring performance under the  
2 Contract would have been a matter for the Financial Secretary.

3 A. Yes, basically. That is what I meant in place.  
4 That's what I meant in place.

5 Q. And you didn't seek to change that.

6 A. No, I did not.

7 Q. You explain in your written response that you point to  
8 the impact of COVID and that, I think, within 10 days of your  
9 arrival, the Territory entered the initial period of curfew.

10 A. Correct.

11 Q. With the effect that for much of the rest of 2020,  
12 your office was either closed or not fully staffed or working  
13 like so many online.

14 A. And '21 as well.

15 Q. The--what you say is Mr Skelton-Cline would have  
16 attended meetings with the Premier and Public Officers in not  
17 just your Ministry but other Ministries.

18 And you--would you have been participating in those  
19 meetings, or were you just aware that he was doing so?

20 A. I recall two sets of meetings during my tenure. I am  
21 fully aware that Mr Cline was a member of the opening--the  
22 Steering Committee, that they're opening the borders that  
23 culminated in December 2020, and he was a Member of that  
24 Committee.

25 We basically did virtual meetings at that stage

1 because at that point it was very difficult to do physical  
2 meetings because it was a large group, so we did virtual  
3 meetings; I'm aware of that. I attended. He also attended. He  
4 was very pivotal in that exercise.

5 I also recall some meetings with businesspersons that  
6 Premier had invited me, that Mr Skelton had arranged because  
7 these businesspersons were selected to help to improve the  
8 economic status of the country because we were in shutdown for  
9 quite a while, Commissioner, so things were really slow, so they  
10 decided to get all the businesspersons together to come up with  
11 ways and means of creating--of moving the economy, so to speak.

12 Q. Mr Skelton-Cline--I'm moving on to particularly the  
13 third contract. That contract was preceded by a Cabinet Paper  
14 because it needed to be subject to the tender waiver. Were you  
15 involved in preparing that Cabinet Paper at all?

16 A. I do not recall preparing the Cabinet Paper. That is  
17 something one of my staff members might have done.

18 Q. Well, the reason I ask is Mrs Smith-Maduro said that  
19 she had been involved in drafting the first paper for the--the  
20 Cabinet Paper that led to the second contract, and so my  
21 question to you is: Leaving yourself aside, and it's still  
22 being a paper that was actually taken to Cabinet by the Ministry  
23 of Finance, did your office have any involvement in drafting?

24 A. I cannot recall that. I cannot recall it because  
25 there's so many papers that we write, I really can't recall

1 that, Commissioner.

2 Q. The third contract essentially mirrors the second  
3 contract.

4 Now, in your written response, you say that you recall  
5 discussing with the Premier whether the appointment of  
6 Mr Skelton-Cline should be renewed, and you say (reading): "As  
7 far as I can recall, I had read his Reports of his activities".  
8 So, by November 2020, you had an opportunity to read the reports  
9 that had been submitted.

10 A. Um-hmm, that is correct.

11 Q. You say that the Premier had expressed satisfaction  
12 with Mr Cline's, Skelton-Cline's, efforts, but in terms of then  
13 taking that and bringing that process forward of a third  
14 contract, what was--firstly, what was your involvement in it,  
15 and what was the involvement of the Premier's Office?

16 A. The third contract in terms of moving it forward?  
17 That contract would have been moved forward by the Ministry of  
18 Finance. We couldn't have moved that forward.

19 Q. But--and taking on from what Mrs Smith-Maduro said,  
20 you may have had input in terms of feeding into the Cabinet  
21 memorandum, but you can't recall that happening.

22 A. I cannot recall, Mr Commissioner.

23 Q. Do you recall any discussion about the Contract terms?

24 A. I basically remember that there might have been a  
25 renewal for the same year period, nothing more than a year. I

1 vaguely recall that.

2 Q. Let's look at that contract. In the file that's in  
3 front of you, if you go to 7516, please. This is the third  
4 contract, and if you--we turn it through, you'll see at 7518,  
5 Dr O'Neal-Morton, that it's signed on the 26th of November 2020  
6 but sets to begin on the 18th of September 2020, running through  
7 to 17th of September 2021, and the fee for consultancy was going  
8 to be \$9,000 a month.

9 If you turn through to 7528.

10 A. I'm there.

11 Q. That's where we see the detail of what was expected of  
12 the Consultant, described here as increase his contract as a  
13 Strategic Advisor. Did your office, either through you directly  
14 or through one of your officers, have any input into what--the  
15 detail that we see on that page?

16 A. It might emanate from the Ministry of Finance, mainly;  
17 that's my belief.

18 COMMISSIONER HICKINBOTTOM: But did you have any input  
19 into it? You were the--

20 THE WITNESS: No, I don't recall having any input into  
21 it because I know that he were a Strategic Advisor, and that  
22 would have carried on from previous contracts, Commissioner.

23 COMMISSIONER HICKINBOTTOM: I mean, the Appendix A,  
24 which sets out his duties and responsibilities as a Consultant  
25 is almost identical. There is one-word difference, just in

1 respect of reporting, but otherwise it's the same as the second  
2 contract. But as it you were paying for it, it was coming out  
3 of the Premier's Office's budget.

4           So, did anybody in the Premier's Office look at this?  
5 I assume that the FS did as well, but did anybody in the  
6 Premier's Office look at this?

7           THE WITNESS: I cannot recall because I think it was  
8 just a carry-on from the second one, so I cannot swear,  
9 Mr Commissioner.

10           COMMISSIONER HICKINBOTTOM: Thank you.

11           BY MR RAWAT:

12           Q. Do you know why the Consultant's fee was reduced from  
13 \$12,000 a month to 9,000?

14           A. I know that that was a decision that was made because  
15 it was a financial decision to reduce some of the--our payments  
16 because our income was not very good, so we wanted to reduce our  
17 expenditure, and we did that to other areas as well. This is  
18 not unique to this Contract. It was done on other contracts, as  
19 well.

20           Q. What Mr Skelton-Cline's evidence was was that during  
21 the course of this third contract, one of the roles he took on  
22 was to be part of the Secretariat for the Economic Advisory  
23 Council, and he spoke of a repurposing of his contract, of this  
24 Contract.

25           Were you ever involved in any meetings or discussions



1 which concerned essentially changing the purpose of this  
2 Contract?

3 A. No, I don't recall that, Commissioner.

4 Q. Do you recall or were you ever approached by  
5 Mr Skelton-Cline expressing a wish or a concern over amending  
6 the Contract?

7 A. I don't think Mr Skelton-Cline would have approached  
8 me. I think he might have approached the Ministry of Finance in  
9 that regard, specifically the Financial Secretary.

10 Q. What we see, Dr O'Neal-Morton, is that--and the  
11 evidence that--so far is that the Contracts just carried on  
12 running one after another. There was no gap in between. But in  
13 relation to this third contract, which is the one that was  
14 entered into during your time as Permanent Secretary, it was  
15 signed on the 26th of November 2020 but set to start two months  
16 before the 18th of September.

17 So, we have not been provided with all of the invoices  
18 that Mr Skelton-Cline submitted and that were paid on. There  
19 were gaps. But how does the system work? I mean, you have a  
20 consultant who is working from the 18th of September but his  
21 contract doesn't start until the 26th of November. Can he still  
22 submit invoices for those two months and get paid on them?

23 A. I am not sure. I cannot answer that, Mr Commissioner.  
24 I really cannot answer that.

25 I think the Financial Secretary, because the Financial

1 Secretary is the person who approves the invoices; I don't do  
2 that.

3 Q. You just pay on them.

4 A. Yeah. The Financial Secretary approves the invoices,  
5 sends them with the invoice, and if a Report is presented at  
6 that time, that is presented to the Premier's Office. We don't  
7 receive invoices directly from Grace Center.

8 MR RAWAT: One moment, please.

9 COMMISSIONER HICKINBOTTOM: Yes.

10 MR RAWAT: Commissioner, those are all the questions I  
11 have. Can I conclude by thanking Dr O'Neal-Morton for  
12 returning.

13 THE WITNESS: That was quick.

14 MR RAWAT: And--but I think for a shorter period than  
15 she perhaps expected, but also can I thank her for the  
16 assistance she's given and the way she gives her evidence.

17 COMMISSIONER HICKINBOTTOM: Yes. And can I reiterate  
18 that. Thank you very much. I know they are busy times and your  
19 time and the way in which you've given your evidence are much  
20 appreciated. Thank you.

21 THE WITNESS: I appreciate that because I have lots of  
22 work to do at the office. Thank you.

23 COMMISSIONER HICKINBOTTOM: No, I'm sure.

24 THE WITNESS: Thank you very much, counsel.

25 COMMISSIONER HICKINBOTTOM: Thank you.

1                   Mr Rawat, I'll rise again before the next witness.

2                   MR RAWAT: Thank you. We'll set up for the next  
3 witness.

4                   COMMISSIONER HICKINBOTTOM: Thank you.

5                   (Recess.)

## 1 Session 4

2 COMMISSIONER HICKINBOTTOM: Yes, Ms Eker-Male, just  
3 before we recommence with the evidence, we have now just had an  
4 e-mail about the legal submissions that were due at 4:00, and  
5 just to remind you that, on the 21st of September, two weeks  
6 ago, I wrote to the Attorney General, as the Attorney General,  
7 not as the representative of the elected Ministers, asking for  
8 her assistance, if she wished to give it, in respect to legal  
9 matters which have arisen in respect of the Assistance Grant  
10 Programme. I made it clear then that I deal with any oral  
11 submissions in relation to these matters on Thursday, the 7th of  
12 October. That is, as you know, because it's set out in the  
13 Programme, which was sent to the AG and to you, was moved to  
14 Friday the 8th of October because of the slippage in the general  
15 timetable as a result of delays in producing other documents.

16 We have heard nothing at all about these legal  
17 submissions, no suggestion that they would not be provided on  
18 time until earlier today when your response indicated that all  
19 was not well, although what you said was very coy.

20 We've now had an e-mail to say that firstly the  
21 submissions will not be with us by 4:00 p.m. today.

22 Secondly, that there is no one out of the Attorney  
23 General's large team, including the IRU, on this matter who  
24 could make any oral submissions on Friday.

25 And thirdly, that the Attorney has not even yet

1 decided whether she wishes to make written submissions on these  
2 topics or not.

3           Firstly, in substance, that is obviously not a helpful  
4 answer.

5           And secondly, and more worryingly, the fact that the  
6 Attorney and the IRU have kept this course secret until minutes  
7 before the 4:00 p.m. deadline after the two weeks' notice I have  
8 given is, at the very least, discourteous. It clearly will  
9 disrupt the timetable, it would disrupt the timetable, if I were  
10 to give an extension, but I don't have to decide that because no  
11 extension is sought.

12           So, what I propose to do, Ms Eker-Male is this: The  
13 submissions will not arrive on time. The Attorney General has  
14 not yet decided whether she would wish to make any submissions,  
15 if she had that opportunity. There is no application to extend  
16 the time. I'm going to proceed on the basis that the Attorney  
17 General has declined the invitation. She is unable to lodge any  
18 submissions with me unless she has permission to do so, and so,  
19 if she wishes to do so in the future, that she will have to  
20 lodge an application with me. That gets rid of the difficulty  
21 of Friday in there being no counsel apparently available to make  
22 oral submissions because there is obviously no written  
23 submissions upon which oral submissions could possibly be made.

24           That will leave me in this position, that in relation  
25 to Assistance Grants, there are matters of law arising, and I

1 will deal with those matters of law the best I can, but  
2 unfortunately without the assistance of the Attorney General.  
3 That, I think, is very unfortunate, but that is the way in which  
4 I propose to proceed, given the way in which the matter has been  
5 dealt with and responded to by the Attorney. That's the  
6 appropriate course. And therefore, in relation to Assistance  
7 Grants, there will be no legal submissions and, consequently, no  
8 need for any oral evidence, further oral evidence, in relation  
9 to those.

10 Any queries about that, Ms Eker-Male?

11 MS EKER-MALE: Thank you, Commissioner. No, I don't  
12 have any queries.

13 I do wish to assure you that there was no attempt at  
14 discourtesy on behalf of the IRU or the Attorney General. There  
15 has just been simply a huge amount of work to do this week, as  
16 I'm sure you and your team are finding as well. And I will, of  
17 course, convey your directions to the team.

18 Thank you.

19 COMMISSIONER HICKINBOTTOM: No matter how heavy the  
20 workload--and as you say we're dealing with a workload as heavy  
21 as anyone--that does not explain why this e-mail which sets out  
22 the various reasons why we're not getting submissions, why that  
23 message could not have been given earlier in which case, I may  
24 have been able to make further directions. The fact that it's  
25 so late simply means that that opportunity has been lost.

1 Thank you very much, Ms Eker-Male.

2 MS EKER-MALE: Thank you, Commissioner.

3 MR RAWAT: Commissioner, the next witness is  
4 Mr Jeremiah Frett, who is the current Financial Secretary, and  
5 someone who has already given evidence to you on more than one  
6 occasion.

7 BY MR RAWAT:

8 Q. Mr Frett, you will know the formalities that I go  
9 through, but firstly, of course, is to remind that you, you  
10 don't need to take the oath or make an affirmation again. You  
11 will have seen when you came into the hearing room that there  
12 are a number of bundles, and we won't need to look at them, but  
13 unfortunately not all of them as we go through.

14 Could I also ask--it's something I asked you before,  
15 but if you remember just to keep your voice up as we go through  
16 your evidence that will assist.

17 Now, the topic that the Commissioner has been  
18 considering in the course of yesterday and today concerns grants  
19 to consultants, and Mr Skelton-Cline, who has a number of or has  
20 had a number of consultancy contracts with Government gave  
21 evidence to the Commissioner yesterday. You were involved as  
22 Financial Secretary and perhaps Deputy Financial Secretary in  
23 overseeing or monitoring some of those contracts--and did so, in  
24 fact, something that I think when you first came to give  
25 evidence to the Commissioner, I asked you about.

1           But as a result of the material that has been gathered  
2 by the Commission, the cautious step was taken to send you a  
3 Warning Letter, and that letter sets out potential criticisms  
4 that may be made of you and that arise from the evidence on this  
5 topic. It is, as I've told others, simply a notice of potential  
6 criticism. It does not amount to either the provisional or  
7 concluded view of the Commissioner. I think in this  
8 jurisdiction, whilst we call it by its modern name of "Warning  
9 Letter," I think people are more familiar with the term "Salmon  
10 Letter".

11           But the purpose of it by giving you notice is to  
12 ensure fairness to you so that you have an opportunity to  
13 respond to the contents of that letter which, as I've also told  
14 others, remains confidential.

15           You have indeed provided a written response to the  
16 Commissioner. Do you have a copy of that response with you,  
17 Mr Frett?

18           A.    I do.

19           Q.    There is one on the desk for you.

20           The copy that you provided is not signed, but can you  
21 confirm that you would be willing to provide a signed copy in  
22 due course?

23           A.    Commissioner, I'm willing to sign the document at the  
24 time when the document was prepared by our legal team. They  
25 were in different location, and it was quite late on Friday, so



1 we decided to send it in the current format, and if necessary,  
2 I'm willing to sign it.

3 Q. Thank you.

4 COMMISSIONER HICKINBOTTOM: So, this was prepared by  
5 your legal team?

6 THE WITNESS: And myself. We worked together.

7 COMMISSIONER HICKINBOTTOM: Thank you.

8 BY MR RAWAT:

9 Q. And by "legal team", you mean the IRU?

10 A. Yeah.

11 Q. The next question is to ask you whether you are  
12 content that this written response should form part of the  
13 evidence before the Commissioner?

14 A. That is fine.

15 Q. That's helpful because not only because of that  
16 indication, Mr Frett, but also because of the evidence that the  
17 Commissioner has already heard and read. What I hope to do is  
18 to keep my questions relatively short and just try and get some  
19 additional information from you, if I may, today.

20 Now, firstly, and I know you will have told us this  
21 before, but the currency of the three contracts that we are  
22 concerned with, they start running from the 27th of March 2019,  
23 and they then continue with the third and last one ending in  
24 17th of September 2021.

25 Now, the second two of the three contracts perhaps

1 more germane to yourself because those were ones--one was  
2 the--let's call it 2nd December 2019 Contract and the other one  
3 is the 26th of November 2020 Contract. Those two contracts were  
4 Major Contracts. And under the Contracts, Mr Skelton-Cline was  
5 answerable to the Financial Secretary.

6 Now, you became Financial Secretary on the 1st of  
7 January 2021. But can you just remind the Commissioner of how  
8 long you had Deputy Financial Secretary before that? And you  
9 may have been Acting Financial Secretary for some time, but  
10 taking from sort of March 2019, just what roles were you taking  
11 on?

12 A. Commissioner, I don't remember the exact date I became  
13 Deputy Financial Secretary, but I do believe it might have been  
14 July 2019, but don't quote me on that. I will have to check my  
15 CV or the Human Resources Department on the exact date on when I  
16 became Deputy Financial Secretary. I think it was 2019.

17 Q. Thank you.

18 And as you've said in your Report--

19 A. Or 2018--I will verify. I can verify that. Around  
20 2018, somewhere around that time.

21 Q. Thank you.

22 Now, I can take you to the--there is a bundle in front  
23 of you which we're calling bundle 8. Have you got that?

24 If you go in that bundle, please. In fact, I  
25 should--it's probably easier. Can you see that small grey

1 bundle that you have there? Take that one, please. Turn up to  
2 page 310.

3           Sorry, 307, please, Mr Frett.

4           This is the second contract which is the Contract that  
5 starts--is signed on the 2nd of December 2019 as is set to run  
6 to from the 18th of September 2019 to the 17th of September  
7 2020.

8           You will find in the other file, if you turn the  
9 other, the black file--not that one but the smaller black file,  
10 if you open that as well to page 7516, please, Mr Frett. That's  
11 the third contract.

12          A.    Um-hmm.

13          Q.    Now, both of those are, as I've said, the line of  
14 reporting for the Consultant is to the Financial Secretary,  
15 certainly if you look at the grey one, it's the Financial  
16 Secretary.

17                Now, in terms of your role, taking the second contract  
18 first, what role, if any, did you have at that time in  
19 monitoring the Contract and performance under the Contract?

20          A.    From time to time, in absence or on behalf of the  
21 Financial Secretary, I may have signed off on invoices for  
22 payment. But with respect to direct dialogue or supervision of  
23 Mr Cline under Grace Consulting or Grace Center, I was not  
24 actively involved with the monitoring or supervision on a  
25 day-to-day or mundane basis.

1 Q. Now, the second--third contract which ended in  
2 September 2021, would have still been current--

3 A. Yes.

4 Q. --at a time when you had become Financial Secretary,  
5 so in relation to that third contract, did your role change?

6 A. Commissioner, my role, once I take up the post of  
7 Financial Secretary, based on the Contract, I would be obligated  
8 to follow the terms and conditions of the agreement.

9 I would note, however, Commissioner, that when you  
10 look at the two contracts at hand that we are speaking about, we  
11 did have some challenges when you're talking about the  
12 supervision or monitoring the construct of the Contract. As you  
13 noted with your other witnesses, while it may say the  
14 supervision or monitoring of the Contract was done by the  
15 Financial Secretary, the payment mechanism was through the  
16 Premier's Office, as was evidence given as well.

17 The nature of the consultancy or the arrangement that  
18 presents in the Contract was somewhat cumbersome, for a lack of  
19 word, because in there it talk about the Premier, the reporting  
20 to the Premier and the Financial Secretary, I think make a  
21 reference somewhere in the contract. It talks about both  
22 things.

23 Q. Pause there, please. And this is just to assist you,  
24 Mr Frett.

25 A. Yes.

1 Q. If you turn in the grey bundle to 317?

2 A. 317?

3 Q. 317. And you will see a document headed "Appendix A".

4 A. Yes.

5 Q. And if you turn in the other bundle, if you turn up  
6 page 7528 in the other bundle, that one, what you will have is  
7 the Appendix A for the third contract. So, as you've said, both  
8 have reporting directly to the Financial Secretary and  
9 indirectly to the Premier and Minister of Finance.

10 A. Yes.

11 Q. Now, those two--Appendix A which appears in each  
12 contract sets out the detail of what is expected or what was  
13 expected of Mr Skelton-Cline as a consultant. If you want to  
14 take the one in the second contract, or either one.

15 A. That's fine.

16 Q. Can you just help the Commissioner further with what  
17 you were saying, in what way did the Contract make life  
18 cumbersome?

19 A. Oh, Commissioner, when you look at the contracts in  
20 actuality of what actually took place, it has a number of  
21 deliverables listed within the contract. But when you look at  
22 the reporting and the different invoices or the Quarterly  
23 Reports, you will see how there is each quarter there is a  
24 shifting of what is actually reported. There is no consistency.  
25 And in reality, when you look at the relationship of the

1 Contract and what actually took place, it is more you can call  
2 it how different names being tossed around, Strategic Advisor,  
3 Special Advisor, Political Advisor. The nature of what the  
4 Consultant was doing perform the duties that it was performing,  
5 it makes it difficult for us as Ministry of Finance to actually  
6 monitor or supervise the work that he was doing. What we rely  
7 on is reports, and from time to time we wouldn't know that some  
8 of the actual work was performing from interactions with  
9 Mr Cline or through other means.

10 For example, we will see Cabinet Papers with respect  
11 whether it be to medical school. We would know about medical  
12 marijuana initiative that went as far as to the Governor waiting  
13 for the Bill to be assented. We were also invited on Saturday  
14 as well to a meeting with the Premier that Mr Cline was there.  
15 He organised that, that a potential advisor where we sat there  
16 for hours well into a Saturday evening listening to the  
17 potential investor speak about the initiative and how we can  
18 benefit, and that paper as well.

19 We used to conduct the interaction with the investor  
20 and the work that was done to come up with some estimates, some  
21 revenue estimates, that actually made it into the 2020 budget  
22 and also in the 2021 budget.

23 So, it actually--we did some legwork, it's a lot of  
24 legwork as far, but because the Bill was not assented to, the  
25 revenues, potential revenues, were never realised.

1           But the other interactions with the Consultant, it was  
2 clear, Commissioner, that there was a direct line of  
3 communication and duties that may have been assigned by the  
4 Premier or the other agencies because the Report would show that  
5 he interacted with a number of agencies and not directly with  
6 the Ministry of Finance.

7           When I became Financial Secretary--I can't remember  
8 which month it was, but Mr Cline visited the Ministry of  
9 Finance, so he could have briefed me on all the initiatives that  
10 he worked on. He presented two huge bundles which I have here  
11 with me, and I shared that information with you already,  
12 Commissioner, and I know that it is part of the information that  
13 is online. And there is a whole list of initiatives, some that  
14 I may not have been aware of that he was working on. Some of  
15 them were well advanced.

16           COMMISSIONER HICKINBOTTOM: I'm sorry?

17           THE WITNESS: It shows you the cumbersome nature of  
18 supervising or monitoring when there are other persons who may  
19 have been responsible or who is also, example, is noting the  
20 Premier in the document, clearly in the Contract, and I'm not  
21 sure the directives.

22           And if you look at the construct--the construct of the  
23 Contract as well, when you--when it states that you must have  
24 three deliverables and the three deliverables that equals to  
25 \$5 million, I believe, in my view, that the requirements of

1 supervision and monitoring that is in the Contract, it should  
2 have been clearer and be more specific in many instances because  
3 we need to say broadly but they have to produce this X, Y, Z.  
4 There was no consistency in the documents that were submitted as  
5 far as the reporting mechanism, so it should have been clearer  
6 in the document--in that agreement how the reporting mechanism  
7 should have been.

8           And from my knowledge from the first contract into the  
9 second contract, there may not have been the person to say daily  
10 monitor Mr Cline, whether or not he went to meeting, there is  
11 notes from the meeting, who you call--just how the lawyers do  
12 it, everything they jot down and what they do on day-to-day and  
13 make that part of their billing system. There is no system like  
14 that.

15           So, what we are relying on in most instances is based  
16 on what the Contract is the deliverables at the end, that you  
17 produce three contracts, three initiatives that may warrant more  
18 than \$5 million.

19           And in looking at the document instead of the Contract  
20 itself, Mr Cline can only take it so far as deliverables because  
21 he doesn't have the Authority to advance certain things to pass  
22 a certain point, then that becomes the responsibility of the  
23 subject Ministry as far as, for example, the Ministry of  
24 Marijuana, they have to go through education, or the matter that  
25 may result--pertains to ports that would have to go through the



1 Ports Authority and different agency for them to take the next  
2 step forward.

3 And I not from listening to parts of the discussion,  
4 and I also observed it as well, it appeared in some instances  
5 Mr Cline may have been more of a facilitator type of person,  
6 coordinating a number of activities relating to the initiatives  
7 that whether the Premier or the Premier's Office identified or  
8 some by the way instruction to go out and assist in whatever it  
9 is.

10 So, think about, the Ministry of Finance now being  
11 required to supervise something like that when there is several  
12 moving parts.

13 COMMISSIONER HICKINBOTTOM: Mr Frett, this is not a  
14 complaint. That was a very long answer.

15 THE WITNESS: Yes.

16 COMMISSIONER HICKINBOTTOM: Before Mr Rawat asks you  
17 some questions, just break that down a little bit to help me.

18 Firstly, we've heard evidence from I think all of the  
19 Witnesses today that, under the second and third contracts, the  
20 Financial Secretary was responsible for monitoring the  
21 Contracts.

22 THE WITNESS: Um-hmm.

23 COMMISSIONER HICKINBOTTOM: That's what the contract  
24 says.

25 THE WITNESS: Yes.

1           COMMISSIONER HICKINBOTTOM: And that's the evidence as  
2 to what happened in practice.

3           So, it was Mr Forbes and then you--

4           THE WITNESS: Yes.

5           COMMISSIONER HICKINBOTTOM: --depending on the time.

6           Secondly, your evidence suggests that what  
7 Mr Skelton-Cline was doing was outside the--a lot of it was  
8 outside the framework of the Appendix A, outside the framework  
9 of the Contract, but the Contract was never amended, and indeed  
10 it was reiterated for the third contract. And in any event, as  
11 I understand it, Cabinet approved his contract on the basis of  
12 this Contract, not on the basis of something else he might or  
13 might not be doing.

14          THE WITNESS: Um-hmm.

15          COMMISSIONER HICKINBOTTOM: And the Contract, because  
16 the Contract, although it may not reflect the work he did, it  
17 may have defects, but the Contract required him to report, the  
18 first contract, the second contract, the first contract of the  
19 FS was responsible for monitoring said weekly, but he actually  
20 had monthly or possibly Quarterly Reports. The evidence varies.  
21 And then in the third contract it was Quarterly Reports, and  
22 those were the reports upon which an assessment of progress was  
23 to be made, weren't they?

24          THE WITNESS: Commissioner, based on the Contract,  
25 that is what is stated in the Contract. But in reality,

1 Commissioner, as a special advisor or strategic advisor to the  
2 Premier that where certain instructions may have been given, and  
3 based on COVID and other matters of priority, there may be have  
4 been a shifting of priority, there may have been other  
5 activities that may have caused the reporting in the way that is  
6 outlined in the Contract.

7 But if you look at, as in the past, we didn't have in  
8 the past, we didn't have strategic or special advisors to other  
9 government departments or Ministries, and I think now they  
10 regularise it and they call it political advisors or personal  
11 advisor to the Premier. I can't remember the correct name.

12 But the structure then which we used up by then is  
13 this person came in and they performed the task as that special  
14 advisor, given that support, whether it be on financial matters  
15 or any other matters to the Minister for which they supervise  
16 the work under supervising.

17 COMMISSIONER HICKINBOTTOM: But again, just to go back  
18 to the question, the work that Mr Skelton-Cline did may have  
19 varied from Appendix A. I think you're saying that it did.

20 THE WITNESS: Um-hmm.

21 COMMISSIONER HICKINBOTTOM: So he may have become at  
22 some time--

23 THE WITNESS: Yes.

24 COMMISSIONER HICKINBOTTOM: --a personal advisor we've  
25 heard a political advisor, all sorts of different names that

1 we've heard in the evidence, but that's outside Appendix A.

2 THE WITNESS: Commissioner, if the scope of the work  
3 as specified in Appendix A varied for whatever reason, then  
4 normally what has happened is you may have a variation to the  
5 Scope of Works that that is normal course of action.

6 COMMISSIONER HICKINBOTTOM: And that's catered for in  
7 the Contract, it has to be done in writing, that's catered for,  
8 but this Contract has not been varied in that way.

9 THE WITNESS: I'm not sure. To my knowledge, it had  
10 not been varied, but if you look at the deliverables whether or  
11 not the deliverables were done--three, they talk about three  
12 initiatives within 12-months, so it would generate a maximum of  
13 \$5 million, was that achieved?

14 COMMISSIONER HICKINBOTTOM: That's a good question,  
15 but you're the man to answer it, Mr Frett.

16 THE WITNESS: Yes.

17 COMMISSIONER HICKINBOTTOM: You're the Financial  
18 Secretary.

19 THE WITNESS: And Commissioner, if you look at the  
20 list of things that Mr Cline presented in his bundles or in the  
21 Reports, and if you go through one, there may be very well in  
22 each year three things that for whatever reason was not advanced  
23 certain that could have generated more than \$5 million. If you  
24 look at the medical marijuana initiative, that is well over  
25 \$5 million.

1           COMMISSIONER HICKINBOTTOM: But, he's produced his  
2 Reports during the whole of the two-year period, and you've  
3 assessed them. Has he met those deliverables?

4           THE WITNESS: Commissioner, from looking at the  
5 information, I think that you have to look at the Reports one by  
6 one.

7           COMMISSIONER HICKINBOTTOM: Yes.

8           THE WITNESS: If you look at them one by one, you will  
9 see that in the last two contracts based on the things that he  
10 was working on that he identified those projects that can exceed  
11 \$5 million. In my view, yes, Commissioner, you can say that,  
12 but whether or not they have been carried to a certain level for  
13 implementation, that is a different argument. What powers does  
14 he have to carry past a certain level?

15           For example, Commissioner, if I may--

16           COMMISSIONER HICKINBOTTOM: I will let you finish your  
17 example, but we've heard the examples because--

18           THE WITNESS: Yes.

19           COMMISSIONER HICKINBOTTOM: --this was a point that  
20 Mr Skelton-Cline made yesterday.

21           THE WITNESS: Yes.

22           COMMISSIONER HICKINBOTTOM: That he could only take  
23 these projects to so far. How is that reflected in the  
24 Contract?

25           THE WITNESS: Commissioner, I'm not the drafter of the

1 Contract. It says here, identify and develop a portfolio of  
2 revenue-generating--identify and develop a portfolio of  
3 revenue-generating--

4 COMMISSIONER HICKINBOTTOM: Under the Contract, you  
5 might say that this was impossible, Mr. Skelton-Cline said that.  
6 He said that the Contract could not be performed, but he was  
7 responsible for developing and delivering a minimum of three  
8 initiatives within 12 months, which would generate \$5 million.  
9 Are you saying that that was something which could not be  
10 performed because, to deliver \$5 million, would require some  
11 decisions to be made by the relevant Minister or by the Premier  
12 or by Cabinet or by the House of Assembly?

13 THE WITNESS: Commissioner, that's a fair--it's  
14 difficult. When you're drafting contracts, we have to be  
15 realistic of what powers or what constraints the Consultant, the  
16 person has. We have to be mindful of that because you have to  
17 come up with the initiative. I know the Brandywine  
18 initiative--I can't remember the correct name of it--that went  
19 as far as they had a public meeting, and for some reason that  
20 was not advanced any further.

21 So, there is certain limitations on how far--you can  
22 only take it to a certain point.

23 COMMISSIONER HICKINBOTTOM: Okay. But in terms of  
24 deliverables, because in the text of the Contract, deliverables  
25 is really important, and the deliverables under the Contract of

1 these initiatives. Are you saying that the deliverables  
2 weren't, in fact, capable of being performed, for one reason or  
3 another? But Mr Skelton-Cline did other useful work in relation  
4 to the general policy goals.

5 THE WITNESS: I agree with that statement,  
6 Commissioner, that he did do an amount of work.

7 (Pause.)

8 COMMISSIONER HICKINBOTTOM: Are these documents that  
9 have been--

10 THE WITNESS: Yes, you have these documents.

11 Commissioner--

12 BY MR RAWAT:

13 Q. Is this the list that you--

14 A. Yes.

15 You have all these documents that were submitted to  
16 you yesterday.

17 Commissioner, just because this will make it easy for  
18 me to refer to. You talk about Fin-Tech, you talk about public  
19 consultant, cruise development. I know definitely about that  
20 one, I also sit on the BVI Port Authority Board, and I know that  
21 matter came up and that didn't advance any further.

22 Telecommunication, shore development, special committee  
23 initiative labs, 1000 Jobs, renewable energy, economic  
24 diversity, development project, medicinal marijuana--and the  
25 list goes on, Commissioner.

1 COMMISSIONER HICKINBOTTOM: Yes.

2 THE WITNESS: I think that Grace Consultancy, when I  
3 do look in the document, can the document perhaps be more  
4 advanced, more detail? Of course. More meat to them can help  
5 as well. But I would say if you look at that listing that was  
6 presented, there is well over \$5 million of potential  
7 initiatives for the Government. Why there wasn't advances, some  
8 may have been outside of his powers, some I know went through  
9 Cabinet, some made it as far as the Governor's Office, so  
10 waiting to be assented to.

11 So, that is--

12 COMMISSIONER HICKINBOTTOM: Mr Rawat will take you  
13 through some of these.

14 THE WITNESS: Yes.

15 COMMISSIONER HICKINBOTTOM: But that's useful  
16 background. Thank you, Mr Frett. Mr Rawat.

17 THE WITNESS: Yes.

18 MR RAWAT: I think the list that Mr Frett is referring  
19 to is exhibited to his first Affidavit.

20 COMMISSIONER HICKINBOTTOM: Yes.

21 MR RAWAT: And you will find it in bundle 6 at  
22 page 5696.

23 BY MR RAWAT:

24 Q. I think as I understand it, and it's been a while  
25 since I looked at your Affidavit, Mr Frett, but I think you met



1 with Mr Skelton-Cline when you became Financial Secretary, and  
2 he presented you with this list of documents that he's provided.  
3 But can I try and distill it down, though. Some details of Mr  
4 Skelton-Cline's evidence yesterday. Firstly, that you're right  
5 in that he described himself more than once as a facilitator.

6 Secondly, as the Commissioner told you, he said there  
7 were some aspects of the contract that he could not fulfill in  
8 his role as Consultant. He made the point that there was--a  
9 consultant can recommend, he cannot decide. That was  
10 Mr Skelton-Cline's mantra. But the point I think that on the  
11 evidence what we have is we have three contracts. At the end of  
12 the first contract which is six months, which is a petty  
13 contract handled by the Premier's Office, so I think firstly you  
14 would not--can you confirm you would not have--and did not have  
15 any involvement in that contract?

16 A. No, I didn't.

17 Q. Now, that contract at the end of it, Mr Skelton-Cline  
18 submitted a report; and, in that Report he dealt with a number  
19 of potential initiatives, so he addressed where things had got  
20 to at that point in time with medical marijuana, he addressed  
21 Shores Development, he addressed youth empowerment, 1,000 Jobs,  
22 a number of different initiatives that he had been working on,  
23 so he presented to the Premier's Office a report that said this  
24 is where I've got to. And the Commissioner has heard from  
25 Mrs Smith-Maduro about the work that had to go into that Report.

1           But the focus then shifts on to the Ministry of  
2 Finance, and that's where we need to take you back to, that  
3 Appendix A, because Appendix A, and what I'm going to suggest to  
4 you--and please agree or disagree with this, if you wish,  
5 Mr Frett--but Appendix A required of Mr Skelton-Cline two  
6 things:

7           Firstly, that he had to--in providing the services of  
8 a Strategic Advisor, assist the Government in identifying and  
9 developing a portfolio of revenue-generating initiatives.

10 That's the first thing he was asked to do in the next 12 months.

11           But if you look at the first bullet point, in terms of  
12 duties and responsibilities, he had to proactively identify and  
13 secure, evaluate and prioritise a portfolio of new  
14 revenue-generating opportunities. And so the expectation, it  
15 seems from the Contract, was that Mr Skelton-Cline would go out  
16 and in the next 12 months identify new revenue-generating  
17 initiatives, not those that he had dealt with in the six months,  
18 and as he explained to the Commissioner, there were some that he  
19 had taken to the point where he could do no more as a  
20 consultant.

21           The second thing that was expected of Mr Skelton-Cline  
22 was that within the 12 months' time frame, he would deliver,  
23 develop and deliver, three initiatives that will generate a  
24 minimum of \$5 million. It's not--the Contract isn't saying that  
25 at some point in the future might generate--what the

1 expectation, however unrealistic, placed on Mr Skelton-Cline was  
2 that he would come up with three initiatives that would give the  
3 Ministry of Finance, your budget, an uplift of at least  
4 \$5 million.

5 Now, that was the expectation, so that's the Benchmark  
6 against which the Ministry of Finance has to assess the reports.  
7 Would you agree with that summary?

8 A. Commissioner, I don't know if I agree with that  
9 summary because, if you look at the--like I stated earlier, the  
10 construct of the agreement, even this Appendix, is flawed. You  
11 cannot say that somebody will do something when they're not the  
12 final decision-maker.

13 But again, only recommend or just to present.

14 COMMISSIONER HICKINBOTTOM: It's your contract.

15 THE WITNESS: Commissioner, I had no dealing with this  
16 Contract.

17 BY MR RAWAT:

18 Q. It was a government contract.

19 A. It was a government contract, but in reality this  
20 contract I do not believe was drafted in the Ministry of  
21 Finance. As the Deputy I don't recall it. I'm not saying it  
22 wasn't done there. I do not recall, and I cannot speak to the  
23 content of this Contract. I inherit this Contract, but if I was  
24 involved in this Contract, I would not have written it in the  
25 way how it was written.

1 Q. I think on the evidence this Contract would have--was  
2 the joint work of the Premier's Office and the Ministry of  
3 Finance.

4 A. Commissioner, is that in writing?

5 Q. Well, it comes from two sources, first is  
6 Mrs Smith-Maduro's evidence today to the Commissioner, and  
7 another one is if you pick up bundle 6?

8 A. This one?

9 Q. Yes.

10 And turn to page 5435.

11 A. 54?

12 Q. 5435, please, Mr Frett.

13 So, what we have is an e-mail from your predecessor,  
14 Mr Forbes, addressed to Mrs Smith-Maduro, who has now stepped  
15 down from acting PS, and she's now Deputy Secretary again, but  
16 Kedrick Malone, who is then PS is copied in. And what Mr Forbes  
17 is doing is inputting into the drafting of the Contract.

18 Now, the timing was unfortunate because this is sent  
19 on the 6th of December 2019, and on the 4th of December 2019,  
20 the expedited extract setting out the decision of Cabinet was  
21 promulgated. But the point--

22 A. Commissioner, that question will have to be put to the  
23 former Financial Secretary. I can't answer that.

24 Q. The point is, and you may say it's the same thing, but  
25 this Contract was--that was the Contract that Cabinet approved.

1           A.    Um-hmm.

2           Q.    And then Cabinet approved it a second time because the  
3 other folder shows you the third contract, and Appendix A is in  
4 the same terms.

5           A.    Yes.

6           Q.    So, those were the obligations put on  
7 Mr Skelton-Cline.

8                   And so the question then pivots to how the Ministry of  
9 Finance assesses whether or not he's, as a consultant, he's  
10 fulfilling the terms of his contract.

11                   Now, one of the first questions that comes up is that,  
12 under the Contract, certainly under the second one that you've  
13 got in front of you, Mr Skelton-Cline was required to submit  
14 monthly reports. I can take you to the e-mail if you need to  
15 see it, but on the 6th of May 2020, Mr Forbes notified Mrs  
16 Smith-Maduro that he had decided to allow Mr Skelton-Cline to  
17 submit Quarterly Reports, and certainly when we get into the  
18 third and last contract, that's the requirement.

19                   But my math is, I think, notoriously bad, but taking  
20 the two years over which you have contracts, those two contracts  
21 running, even if you were to say let's have it quarterly all the  
22 way, you would have expected eight reports to have come in.  
23 And, in fact, the Ministry of Finance only received five.

24                   So, can you help us with this--tell us if you  
25 can't--but part of the paying out on invoices involved, it seems

1 on the evidence, someone in the Ministry of Finance, and it was  
2 either yourself or Mr Forbes, saying "I approve this payment",  
3 and that must have been based on the Report. How were you able  
4 to approve monthly payments to a consultant when you weren't  
5 seeing reports from him?

6 A. Commissioner, I don't think I can answer that question  
7 based on how it was posed to me. I will have to go back and  
8 understand, look at the invoices, see which ones--because the  
9 invoices comes with a Quarterly Report. So, if you start in  
10 January, the first two months will not have a report, but on the  
11 third month you will have the Report.

12 And likewise, from April--April-May, you will have not  
13 a report, but in June you will have the report. He will submit  
14 the Report. I think that is the way it should have been.

15 Now, when the month-to-month starting and they decided  
16 to do the quarter, I don't know when that happened, you would  
17 have to speak to the Premier's Office or my predecessor to see  
18 exactly when that actually started, so he could do the analysis,  
19 why you only have five versus eight. I can't speak to.

20 Q. But do you understand the question, Mr Frett? Because  
21 the point is you're paying a consultant monthly.

22 A. Um-hmm.

23 Q. Even if you say or that's on the basis of Quarterly  
24 Reports, you didn't get all the Quarterly Reports that you  
25 should have got. How was the Ministry able to continue paying

1 when you weren't actually getting any status reports?

2 COMMISSIONER HICKINBOTTOM: And that's--well, the  
3 reports which--the reports which--no, I thought this was a list  
4 of the reports, but this is not a list of the reports.

5 THE WITNESS: Commissioner, what I would say with  
6 respect to the question that is posed, is that I would have to  
7 look going back for the two-year period and look at every report  
8 that was received, go and check the invoices. I don't have that  
9 right in front of me. It could have been that we could have  
10 overlooked in the Reports, it could be it was never submitted.  
11 I would have to do that research.

12 I know Mr Rawat is probably going off of what was  
13 presented to you, but I cannot substantiate and say that is  
14 actually the fact at this time.

15 Q. I think I'm fairly confident, Mr Frett, this time  
16 around in saying that it was the fact. And the reason I can say  
17 that is because, on this topic, the Commission has made more  
18 than one request, so there was the initial request followed by  
19 when Dr O'Neal Morton gave evidence she provided more  
20 information followed by--I mean, you, yourself, had provided an  
21 Affidavit in relation to you disclosed the Chair of the two  
22 Boards.

23 A. I would have.

24 Q. And there was subsequent to that more than that.

25 So, there have been four or five requests, and pulling

1 all of those together as the Commission team has done, what you  
2 have is, including the Report that was provided at the end of  
3 this Contract, you have six reports. You have no invoices have  
4 been disclosed?

5 A. Six reports for the two years, for the last two years?

6 Q. For the last two years you have five reports.

7 A. Commissioner, the last report would have been at the  
8 end of this Contract term which just end, so that will make it  
9 seven.

10 Q. But that--

11 A. That report--Commissioner, that Report was received  
12 the day before I started leave, which was Friday just--it was  
13 Friday, just before I went on leave and Commission was hoping  
14 towards the end to mention it to say whether or not--

15 COMMISSIONER HICKINBOTTOM: Can we come back to that.

16 THE WITNESS: I want to clarify so it's not--if there  
17 is one missing, then we have to go back, Commissioner, and find  
18 out where that one is missing.

19 COMMISSIONER HICKINBOTTOM: Mr Frett, your mathematics  
20 will be better than mine, but we have five reports, five reports  
21 for a two-year period. There should be eight. You have another  
22 one. That makes six.

23 But can we leave it like this for now because Mr Rawat  
24 wants to ask you some questions, I suspect, about the individual  
25 reports, but if payments were made without a Quarterly Report,



1 that should not have happened?

2 THE WITNESS: Commissioner, I don't know if I will say  
3 that, payment should not have been made. Is it part of the  
4 payment requirements or is it part of submitting something, does  
5 that mean a report invoice cannot be paid? So, I have to look  
6 in detail again at the terms of condition, where I said that no  
7 payment would be made unless the Quarterly Report is received.  
8 It says that you must submit these Quarterly Reports.

9 So, we have to be careful when we using legal terms  
10 because if the Contract clearly states no payment will be made  
11 unless you submit that Quarterly Report, that is one thing. But  
12 it is just a requirement to submit Quarterly Reports that is  
13 something differently.

14 COMMISSIONER HICKINBOTTOM: Two different things,  
15 Mr Frett.

16 THE WITNESS: Yes.

17 COMMISSIONER HICKINBOTTOM: One is a contractual  
18 requirement. As far as I can see, it's not a contractual  
19 requirement. But you, or the--Mr Forbes, the Financial  
20 Secretary, was monitoring this Contract. And as I understand  
21 it, part of that monitoring was that payments would be made only  
22 if and when reports were made. Because you're monitoring--

23 THE WITNESS: Yes.

24 COMMISSIONER HICKINBOTTOM: --you couldn't properly  
25 monitor it. It's not a contractual matter, it's a monitoring

1 matter.

2 THE WITNESS: Yes.

3 COMMISSIONER HICKINBOTTOM: Yes. Okay. Thank you,  
4 Mr Rawat.

5 BY MR RAWAT:

6 Q. Also just to tell you where we are, in relation to  
7 certain some of the invoices. We haven't received invoices, but  
8 can I try and take you through the Report, Mr Frett. If you  
9 were not involved in them, then or did not see them at the  
10 relevant time, then just tell me.

11 In relation to the second contract which is when the  
12 matter comes under the remit of the Minister of Finance, if you  
13 take up bundle 2, please, Mr Frett.

14 COMMISSIONER HICKINBOTTOM: Which page, Mr Rawat?

15 MR RAWAT: Sorry, 1226.

16 COMMISSIONER HICKINBOTTOM: Which page, Mr Rawat?

17 MR RAWAT: Sorry, 1226.

18 BY MR RAWAT:

19 Q. This is--once the Contract started, this was the first  
20 report that Mr Skelton-Cline submitted. So, this was in  
21 January 2020 for a contract that had started--or signed on the  
22 2nd of December, but started on the 18th of September. So, what  
23 Mr Skelton-Cline's evidence is is that the Contracts just ran  
24 continuously.

25 Now, the first question is, can you help with this,

1 Mr Frett: What's the basis or how--what's the mechanism by  
2 which in circumstances where there's a two-month gap between the  
3 start date of the contract and the signing of it, what's the  
4 mechanism by which the contractor can be paid in that time?

5 A. Commissioner, with respect to this particular incident  
6 that the counsel is referring to, I am not aware under what  
7 circumstances the payment was made. I do know that from time to  
8 time there may be a lag in the Agreements as being initiated. I  
9 don't know if instructions were given. I cannot speak to how  
10 the Contract--the invoice was paid. If the Contract was not  
11 completed, there must have been some understanding between  
12 Treasury or the Ministry of Finance and Premier Office with  
13 respect to that matter.

14 Q. Are there generally--I mean that's why I put it as  
15 "mechanism".

16 A. Hmm.

17 Q. If you're confronted with a situation where the  
18 contractor has already started working and the Contract is not  
19 yet signed, what's the mechanism by which the Ministry of  
20 Finance can arrange for that Contractor to be paid?

21 A. Commissioner, in reviewing the Public Finance  
22 Management Act or the Regulation, I don't think there's nothing  
23 in writing that states that while the Contract is being  
24 finalised or vetted by the Attorney General, you can proceed and  
25 issuing a check. But I'm sure that there would have been some

1 communication, whether between the former FS or the Premier's  
2 Office and the Treasury, in seeking to execute payment where the  
3 document is--there might have been a fair understanding that  
4 this can be renewed; it's just a delay, got to go to Cabinet,  
5 got to go to the AG Chambers, come back to Cabinet and it's  
6 taking longer--

7 (Overlapping speakers.)

8 COMMISSIONER HICKINBOTTOM: So, in terms of mechanism,  
9 once it's contracted, the mechanism is relatively easy because  
10 the Contract then triggers all of the paperwork and the payments  
11 are made.

12 THE WITNESS: (Witness nods.)

13 COMMISSIONER HICKINBOTTOM: If there's no contract for  
14 a couple of months, then, are you saying that there are  
15 mechanisms that can be put in place, that, for example, the  
16 Premier's Office can--or the relevant Ministry, whatever that  
17 is--can contact the Treasury--

18 THE WITNESS: No, no, no, no, no. I'm not saying  
19 that, Commissioner. If there's not a contract in place, I would  
20 believe there would have been dialogue at a much higher level,  
21 whether it be with the Financial Secretary or talking to the  
22 Accounting General or someone because I know Treasury may have  
23 observed that the Contract expired; if they did not, it would  
24 probably be an oversight, and they would have flagged it, and  
25 they would have said, What is the position? We have an invoice

1 for payment. However, the Contract has expired and a new one  
2 issued.

3 But in reality, Commissioner, from time to time  
4 unfortunately the contracts, not just in result, just in  
5 consultancy--it could be leases and other things--that persons  
6 are not as vigilant as they should, and they wait 'til the last  
7 minute to execute, and by the time it got to go through the  
8 bureaucratic process, sometimes elapse. You may have to wait  
9 for a while for agreement to be drafted and vetted.

10 In the meantime, do you tell that person who might be  
11 working on a critical document to stand down and wait until?  
12 And--or is their understanding that there's a likelihood they're  
13 discussing is going to continue providing the services?

14 So, I can't speak to what took place at that time, but  
15 I'm just thinking since the question was what mechanism--

16 COMMISSIONER HICKINBOTTOM: There are mechanisms but--  
17 (Overlapping speakers.)

18 THE WITNESS: Yeah. In all fair--but in all fairness,  
19 Commissioner, too, you have to look at the situation at hand at  
20 the time, and sometime decisions have to be made.

21 COMMISSIONER HICKINBOTTOM: Yes, no, I understand  
22 that. Yes. Thank you.

23 BY MR RAWAT:

24 Q. So, in relation to the Contract that we're looking at,  
25 the second contract, which ran from, I think, 2019 into 2020,

1 you didn't have anything to do with authorising payment whilst  
2 the Contract was still being resolved.

3 A. Commissioner, I will have to look at the invoices  
4 during that period to confirm. I don't want to say no because  
5 from time to time I may have signed documents on behalf of the  
6 Financial Secretary, being his Deputy, so I don't want say no,  
7 and that may not be the case. I have to look at each invoice  
8 and see which one I signed during a specific time frame.

9 Q. Now, if you look at that first report that I've taken  
10 you to, that first one submitted January 2020.

11 Now, I'll take you to the e-mails if you need to see  
12 them, Mr Frett, but the--what--when--what happened was that  
13 Mr Forbes sent an e-mail to Mrs Smith-Maduro, and this was on  
14 the 24th of January, saying (reading): Please see the attached  
15 document which signals my approval to pay the Consultant.

16 Mrs Smith-Maduro then raised concerns about the  
17 content of the Report, but she's explained those concerns to the  
18 Commissioner, and she asked for a meeting with the Permanent  
19 Secretary and the Financial Secretary. That, for reasons, could  
20 not be set up until March. And Mr Forbes proposed a meeting  
21 at--in March 11th, 2020.

22 Now, it's not clear so far in the evidence as to  
23 whether a meeting took place--we will ask Mr Forbes about  
24 it--but were you involved in any meeting in March 2020 to  
25 discuss the reports from Mr Skelton-Cline?

1           A.    I don't recall participating. I don't recall at this  
2 time participating in those meetings.

3           Q.    Look at the Report, itself. It sets out seven  
4 initiatives, some of which are rolled over from the previous  
5 first contract that Mr Skelton-Cline was involved in.

6                    Now, did you--you say in your written response that  
7 you've read some of the reports or you've read the reports that  
8 were submitted by Mr Skelton-Cline to the Ministry of Finance.

9                    You consider that they do give sufficient information  
10 in terms of identifying initiatives capable of delivering a  
11 minimum of \$5 million.

12           A.    As I noted earlier, that, when you look at the  
13 reports, I thought, in my view, additional information are more  
14 meat could have been placed on the reports. I know that when I  
15 was looking at one of the reports, I know the work that was done  
16 with medicinal marijuana initiative. That one I know about  
17 because we went as far, as I stated earlier, in putting some  
18 estimates into the 2020 and 2021 budget for revenue, so  
19 substantial work was done. But does the Report reflect what  
20 actually took place with respect to that? No.

21                    So, there obviously was a deficiency in capturing what  
22 actually took place in some of these reports. I don't--

23           Q.    If there was that deficiency, why didn't the Ministry  
24 of Finance raise it with Mr Skelton-Cline?

25           A.    Commissioner, your colleague is assuming that it was

1 not raised. I know that once I became Financial Secretary, I  
2 know I--when he came to visit me, I told him he need to start  
3 capturing information. If you go to a meeting, you need to lock  
4 down the meeting time. If you chair the meeting, if there's  
5 some policy, you need to put more information in support of the  
6 documentation that that they are presented. I thought that they  
7 were lacking in some areas, but it does not mean work was not  
8 done in some area based on my involvement or may have seen  
9 Cabinet Papers and other things that spun off from that.

10 Q. Can I just stop you there?

11 A. Yes.

12 Q. I mean there is a line to be drawn, Mr Frett,  
13 between--I mean, for example, what Mr Skelton-Cline explained  
14 was--and in his first report, the end of his six-month contract,  
15 he dealt with work that was going--in relation to pier  
16 development, and he makes the point and made the point and  
17 confirmed it in oral evidence, that as the Consultant, he had  
18 taken it so far, and it was now--he made recommendations, which  
19 effectively it was for the Ports Authority Board to takes  
20 forward. So, we have to make a distinction between work that  
21 may be done by others, a Statutory Board, for example; work that  
22 may be done within the Ministry of Finance, the progress of an  
23 initiative; when we're look at the second and third contract.  
24 The question that I'm asking is directed to how did the Ministry  
25 of Finance, when assessing these reports, assure itself that



1 Mr Skelton-Cline was fulfilling his obligations under the  
2 Contract--not doing other things or being busy dealing with  
3 other initiatives, but he had a contractual obligation two years  
4 running to generate a minimum of 5 million for you.

5 And from his perspective, as he explains,  
6 Commissioner, that's an impossible ask. But how was the  
7 Ministry of Finance reassuring itself that that was being done  
8 if, on your assessment, the reports were deficient?

9 A. Commissioner, with respect to the reports, they quote  
10 had been mentioned to him some of the Report was not substantive  
11 enough. I should not have used the word "deficient", but  
12 the--we knew from other activities that the gentleman was  
13 performing tasks related to some of the matters, but whether or  
14 not it was captured.

15 So, when you look at the Report, if you look at any  
16 one of the Report, you may see slide shows of different things  
17 speaking about different activities that take place. But I note  
18 in one of the--on their presentation made is that where the  
19 Contract talk about financial analysis that should be performed,  
20 whether he felt he should have performed it, in my view,  
21 Commissioner, when I talk about it--because the level of work  
22 had to be done--we talking about analysis and dealing with  
23 revenue, I would have loved to see there are potential figures,  
24 here is the timeline over 5-year, 10-year period, and so forth  
25 as far as the substantive things, so that when it comes to the

1 subject Ministry, but because of how the Contract was  
2 constructed, it did not allow--it probably did not allow for  
3 taking it to the next level. So that is my perspective when I  
4 talk about deficiency and was able to allow to see in any  
5 revenue initiative coming forward as Financial Secretary.

6 COMMISSIONER HICKINBOTTOM: Exactly, and that's what  
7 Mr Malone, I think, from his evidence, that's what he expected.  
8 He expected a proper business proposal with--a proper business  
9 proposal setting out a timeline with, deliverables along the  
10 timeline, and (unclear)--

11 (Overlapping speakers.)

12 THE WITNESS: And getting shots. All these different  
13 thing, but I do not believe that is how the Contract is  
14 structured.

15 COMMISSIONER HICKINBOTTOM: Well, it is because it  
16 says it puts a duty upon Mr Skelton-Cline to conduct thorough  
17 market research, financial analysis, modeling and forecasting,  
18 and social impact assessment of proposed initiative. It puts  
19 the obligation on him.

20 He said that he couldn't do it, but that's a  
21 contractual obligation on him. The obligation was to produce a  
22 business proposal, not perhaps something with two, four, or six  
23 bullet points. There is a big difference, isn't there?

24 THE WITNESS: I think there are more than three or  
25 four bullet points, Commissioner.

1 COMMISSIONER HICKINBOTTOM: Well, para 52, four bullet  
2 points; Shores Development, two. This is the Report. But in  
3 any event, it's--

4 THE WITNESS: Yeah.

5 COMMISSIONER HICKINBOTTOM: --not the number of Bullet  
6 Points.

7 THE WITNESS: Yes.

8 COMMISSIONER HICKINBOTTOM: It's what you would  
9 expect.

10 But if this is what was expected by way of monitoring,  
11 you must say so.

12 THE WITNESS: Fair statement, Commissioner.

13 COMMISSIONER HICKINBOTTOM: Correct?

14 THE WITNESS: That is a fair assessment.

15 COMMISSIONER HICKINBOTTOM: What?

16 THE WITNESS: What you said about the process.

17 COMMISSIONER HICKINBOTTOM: Yes, yes. You would have  
18 expected a business proposal.

19 THE WITNESS: Um-hmm.

20 COMMISSIONER HICKINBOTTOM: Yes. Thank you.

21 THE WITNESS: But I do believe, Commissioner, that in  
22 the body list of those things, it should have said in the  
23 agreement a business plan consistent, and they have to show what  
24 you expect as a businessman, what you expect of these things.

25 COMMISSIONER HICKINBOTTOM: That's right.

1 THE WITNESS: They have to be laid out in the  
2 document.

3 COMMISSIONER HICKINBOTTOM: Yes.

4 THE WITNESS: So that the Consultant, whoever it is,  
5 will know these are the parameters, this is the quality, this is  
6 the standard of which you are to report. I think those things  
7 have to be clear--clearly stated up front, and this is the  
8 format on how it--

9 COMMISSIONER HICKINBOTTOM: So, you say that the fact  
10 there was no Business Plan may be a deficiency in the Contract.

11 THE WITNESS: Um-hmm.

12 COMMISSIONER HICKINBOTTOM: But that's what you'd have  
13 expected, and it may well be that one of the points on the  
14 timeline will not be in the Consultant's hands. You may need a  
15 Cabinet Decision or revenue, you know, a Ministry of Finance  
16 decision or whatever, but at least then there is a timeline.

17 So, is this a fair summary of your evidence, that that  
18 is what you would have expected in respect of a consultancy like  
19 this, but you think the contract was deficient in not spelling  
20 that out?

21 THE WITNESS: Yes.

22 COMMISSIONER HICKINBOTTOM: Is that fair?

23 THE WITNESS: That is a fair statement.

24 COMMISSIONER HICKINBOTTOM: Thank you, Mr Frett.

25 BY MR RAWAT:

1 Q. And trying to take it shortly, Mr Frett, but one of  
2 the features of the status reports that was submitted over the  
3 two years of this Contract is that some of the supporting  
4 documents were sent in more than once. So, for example, there  
5 is a draft MOU dated the 12th of March 2020, and you see it  
6 attached to more than one status report. You're nodding your  
7 head, so I'm going to ask you just to say "yes" for the  
8 microphone.

9 A. Commissioner, he trying to get me to say "yes", but  
10 what I would say with the status report, it would have been  
11 better, in my view, if it would just say that no progress or  
12 something but the same thing. So I did--we did recognise that  
13 in some instances we did see items--

14 Q. Same material coming up again.

15 A. Some of the same identified--

16 (Overlapping speakers.)

17 A. But that does not mean, that does not imply that work  
18 was not done, but we wasn't able to identify that from the  
19 reports that was present--he probably present the same thing  
20 over.

21 COMMISSIONER HICKINBOTTOM: No, I know. But one of  
22 the purposes of reports is to report, Mr Frett, and so things  
23 that are not captured by a report which should be in a report,  
24 that's not--that's an unhelpful approach.

25 THE WITNESS: Yeah.

1           COMMISSIONER HICKINBOTTOM: But I understand your  
2 evidence. Thank you.

3           THE WITNESS: Yeah.

4           MR RAWAT: What I'll do, Commissioner, is probably not  
5 go into the detail of the reports themselves, which I think  
6 Mr Frett has given his view of what--an ideal report would look  
7 like, and he's acknowledged that--

8           THE WITNESS: Yeah.

9           MR RAWAT: --there was at times the same material  
10 coming up.

11          BY MR RAWAT:

12          Q     Can I ask you some additional questions about  
13 your responsibilities, Mr Frett. You said that when you took up  
14 the role of Acting Financial Secretary, you were briefed by  
15 Mr Skelton-Cline.

16          A.     Yes.

17          Q.     You've referred to the list he produced for you, which  
18 the Commissioner has. But other than that, was there a note in  
19 relation to the briefing that was prepared by yourself or that  
20 Mr Skelton-Cline prepared for you?

21          A.     Commissioner, no, it was done in person. He came and  
22 brought the bundles, and we sat down, and we discussed at length  
23 on some of the things that were in the bundles. Actually, I was  
24 not aware of some of the things that I saw in the bundle. So,  
25 we did at length go through them and he explained to me

1 the--where he was at, where he couldn't take it so much further  
2 and so forth, so we did discuss that.

3 Q. The other matter I will ask you about is this because  
4 at your paragraph 13, you say that you don't believe that  
5 tendering would be appropriate for Mr Skelton-Cline's role.

6 Now, that's a point that's been made in other  
7 responses, for example, Dr O'Neal-Morton and Mrs Smith-Maduro.

8 Now, the role--you know, you--I think you've mentioned  
9 that there is a new development in that the concept of special  
10 advisor is emerging from a Cabinet Decision, and prior to that,  
11 whatever the role the advisor was playing, they were there as a  
12 consultant. That's how they were identified and paid; that's  
13 right, isn't it?

14 A. Yes.

15 Q. So, that's the category in which Mr Skelton-Cline fell  
16 because the Cabinet had not made its decision about special  
17 advisors.

18 A. Well, Commissioner, Mr Skelton-Cline, no matter how he  
19 tried to twist it, he was strategic advisor, political advisor,  
20 special advisor. That is basically what he was doing.

21 COMMISSIONER HICKINBOTTOM: No, I understand.

22 THE WITNESS: Yes.

23 COMMISSIONER HICKINBOTTOM: And that's very clear from  
24 your evidence, Mr Frett.

25 THE WITNESS: Yes.

1 COMMISSIONER HICKINBOTTOM: And I think--

2 (Overlapping speakers.)

3 THE WITNESS: And that was personal to the Premier.

4 COMMISSIONER HICKINBOTTOM: Yes.

5 THE WITNESS: So the Premier had to be satisfied that  
6 the person that he was working with he's comfortable with that  
7 person for what--based on the skill sets and based on the  
8 relationship, whatever it is.

9 COMMISSIONER HICKINBOTTOM: It was really a personal  
10 contract in that sense.

11 THE WITNESS: Yes.

12 COMMISSIONER HICKINBOTTOM: The personal relationship  
13 was very important.

14 THE WITNESS: Yes.

15 COMMISSIONER HICKINBOTTOM: And, as you say, he was  
16 really--whatever the Contract said--and I think--I don't think  
17 any witnesses have said that the Contract reflects what  
18 Mr Skelton-Cline was doing, either at all or wholly, but he was  
19 really a political advisor.

20 THE WITNESS: Yes.

21 COMMISSIONER HICKINBOTTOM: And hence, the importance  
22 of the Premier's choice of him because it was important that he  
23 was comfortable with him. And other witnesses have said also  
24 the Premier's assessment of, as it were, how he was doing in  
25 respect, perhaps, of future contracts. Is that something that



1 you would agree with?

2 THE WITNESS: (Witness nods.)

3 COMMISSIONER HICKINBOTTOM: Yes. Thank you.

4 BY MR RAWAT:

5 Q. The question goes to, I'm using the term "Strategic  
6 Advisor" because that's the term that appears in the Contracts.

7 A. Okay.

8 Q. But in terms of a tendering process, it would still  
9 have had to go through a tendering process, wouldn't it? Any  
10 contract that is over the \$100,000 threshold has to go through  
11 that unless Cabinet waives it.

12 A. Yes.

13 Q. And so, for Mr Skelton-Cline, that was the position in  
14 relation to him.

15 A. Yes, because it was over \$100,000.

16 Q Yes.

17 A So--

18 Q. And that still holds true today.

19 A. Yes. Because even at--even if you had a previous  
20 contract, Commissioner, for, say, \$90,000, but you'd have a  
21 continuous--for the same work--

22 COMMISSIONER HICKINBOTTOM: You have to get Cabinet  
23 approval.

24 THE WITNESS: Yes, because basically it doesn't  
25 change. So it would be at the cumulative amount. It would be

1 over 100,000. So, we at the Ministry of Finance always  
2 recommend and that you must seek the waiver of the process.

3 And my position on it, too, is that if you know you're  
4 going to retain someone for two or three years, you just go  
5 ahead and issue the Contract for the two to three years and have  
6 the correct clauses in there that you can terminate that person  
7 within whatever specific time. So, you will have to alleviate  
8 the issue of it coming back every year for renewal because--

9 COMMISSIONER HICKINBOTTOM: I understand.

10 (Overlapping speakers.)

11 THE WITNESS: --with that person, anywhere in the UK,  
12 where they bring the Strategic Advisors for the period of time  
13 they are there, so I don't know why we choose to do the six  
14 months, one year, one year, one year. It put more burden, more  
15 bureaucracy, more work on the staff of the Ministry of Finance  
16 that otherwise...

17 COMMISSIONER HICKINBOTTOM: But that's how this  
18 happened to be done.

19 THE WITNESS: Yeah.

20 COMMISSIONER HICKINBOTTOM: Yes.

21 BY MR RAWAT:

22 Q. Could I just deal with a couple more matters.

23 Firstly, in relation to Mr Skelton-Cline's expenses,  
24 which would have been allowed under--the Contract provided for  
25 those. Can you shed any light on how they would have been paid

1 to him?

2 A. Commissioner, I'm not aware of that and I'm not aware  
3 of any expenses. I hope I did not sign anything with expenses,  
4 but I don't recall signing any invoice for payment for these  
5 expenses, so I'm not aware of it. I'm not saying it's not  
6 there, it didn't occur, but I'm not aware.

7 Q. If you pick up the bundle that's--next to your bundle  
8 there is a lever-arch file that you'll see, Mr Frett, that large  
9 one. I hope it has "additional" on the spine.

10 A. Yes.

11 Q. If you turn up, please, page 852.

12 This is an e-mail from Mr Cline, Skelton-Cline, to  
13 Mrs Smith-Maduro dated the 31st of May, and he forwards--it's  
14 2019, but he forwards an invoice and writes (reading): "Dear  
15 PS, please see the following invoice. It should have been sent  
16 a month ago so as to give instruction for payment from the BVI  
17 Ports Authority".

18 And then Mr Skelton-Cline says (reading): "I'll send  
19 the findings/reports under another e-mail".

20 If you turn through to page 873, please.

21 We have at 873, if you have that page, Mr Frett--

22 A. Yes.

23 Q. Thank you.

24 --an e-mail from an environmental expert, dated  
25 June 14th, 2019, and it's addressed to Lenius Lendor, who

1 is--was then the Managing Director of the BVI Ports Authority,  
2 and it attaches an invoice.

3 Mr Lendor then forwards it to Mrs Smith-Maduro and  
4 says (reading): "The Authority is in receipt of the following  
5 e-mail accompanied by the attached invoice requesting payment  
6 for work that was requested by no one at BVI Ports Authority.  
7 Please advise on this matter".

8 If you turn to page 872, the preceding page,  
9 Mrs Smith-Maduro forwards that then to Mr Skelton-Cline, who  
10 then above gives an explanation that the invoice is in regards  
11 to a marine engineer determining type of sedimentation within a  
12 dredging area. And he says (reading): It's most critical to  
13 determining cost and in foreinded negotiations with a company",  
14 and that is one of the matters, items that he dealt with in his  
15 First Report, the one that he provided at the end of the  
16 six-month Contract.

17 My question is this: Firstly is that it might be  
18 inferred from Mr Skelton-Cline's e-mail that he believes that  
19 the Premier's Office can instruct the Ports Authority to pay an  
20 invoice. Is that possible?

21 A. Commissioner, there is a clause in the BVI Ports  
22 Authority Act that allows for the Premier to give written  
23 instructions to the BVI Ports Authority, whether it be for  
24 payment--I don't know--but he had to do it in writing. I don't  
25 know if that was--I don't know the dynamics behind this, but

1 there is a clause in there that the Premier can give  
2 instructions to the BVI Ports--

3 Q Section 19.

4 COMMISSIONER HICKINBOTTOM: Well, I assume it's  
5 section 19. It doesn't quite do that but I--I'm--

6 THE WITNESS: Okay, well, mine isn't--

7 COMMISSIONER HICKINBOTTOM: I'm assuming that you're  
8 referring to section 19.

9 THE WITNESS: Yeah.

10 I don't know the Clause. I don't have the Act in  
11 front of me.

12 COMMISSIONER HICKINBOTTOM: But it refers to general  
13 directions from the Minister, and whether that allows the  
14 Premier to require the Ports Authority to make payment on an  
15 invoice--

16 (Overlapping speakers.)

17 THE WITNESS: I wouldn't say he require if he give  
18 general direction; more than that, he would think the Board, on  
19 this they have some query was not paid. They would pay if  
20 it's--if they think it's something that they'll benefit. I  
21 don't know. I don't want to speculate on--

22 (Overlapping speakers.)

23 COMMISSIONER HICKINBOTTOM: No, no. But that--yeah,  
24 no--

25 THE WITNESS: But is if he--I mean, he can give

1 general directions and they will decide whether or not they  
2 going to carry it out. The board will decide whether or not  
3 they are going to carry out the instruction or not. It's up to  
4 them.

5 COMMISSIONER HICKINBOTTOM: That's your understanding.

6 THE WITNESS: That's my understanding of the Clause.

7 COMMISSIONER HICKINBOTTOM: Yes, thank you.

8 BY MR RAWAT:

9 Q. But also--I mean, is it--was it within the remit of  
10 Mr Skelton-Cline to incur costs of this sort?

11 A. Commissioner, I would have to go through the  
12 agreement, but it would be unusual circumstance that you see a  
13 consultant engaging or incurring costs unless it's written in  
14 the agreement, but it's very unlikely that such clause should  
15 exist in the--in any agreement where a Consultant is involved--

16 COMMISSIONER HICKINBOTTOM: Well--

17 THE WITNESS: --because that Consultant would report  
18 to an Accounting Officer, whether it be the PS or a Head of  
19 Department. And even if it involved a Statutory Board, they  
20 have the line of reporting as well. So, I don't think a  
21 consultant can take it upon himself unless there's clear  
22 instruction or guidelines with respect to incurring costs.

23 BY MR RAWAT:

24 Q. We know it's from the Contract, that the Contract  
25 provided for reimbursing travel and accommodation costs and

1 provided for a consultant's fee, a monthly consultant's fee.  
2 But it didn't--none of the Contracts provide for the Consultant  
3 to incur costs.

4 A. Okay.

5 Q. So, unless--and your evidence is unless the Contract  
6 specified that, it would be unusual--

7 (Overlapping speakers.)

8 A. --very unlikely that--if a contract would be drafted  
9 in that way, based on the structure.

10 MR RAWAT: If I could just have a moment, please.

11 COMMISSIONER HICKINBOTTOM: Certainly, yes.

12 MR RAWAT: Commissioner, I've reached the conclusion  
13 of my questions. Can I finish by thanking Mr Frett for  
14 returning to give further evidence and also for the way he's  
15 done that.

16 COMMISSIONER HICKINBOTTOM: Thank you very much,  
17 Mr Frett, both for your time and for your patience and the way  
18 in which you've given your evidence.

19 THE WITNESS: Thank you, Commissioner. And I do  
20 apologise for not advancing this. I will seek to have my team  
21 scan the documents and send them over to you. That is the last  
22 report for the current year.

23 COMMISSIONER HICKINBOTTOM: Oh, yes. Okay. No, thank  
24 you very much.

25 MR RAWAT: Thank you.

1                   COMMISSIONER HICKINBOTTOM: That would help. Thank  
2 you, Mr Frett.

3                   THE WITNESS: Thank you.

4                   (Witness steps down.)

5                   COMMISSIONER HICKINBOTTOM: Shall I rise for a moment,  
6 Mr Rawat?

7                   MR RAWAT: To try and set up the final witness of the  
8 day.

9                   COMMISSIONER HICKINBOTTOM: Yes. Thank you very much.

10                   (Recess.)



1 Session 5

2 COMMISSIONER HICKINBOTTOM: Yes, Mr Rawat.

3 MR RAWAT: Thank you, Commissioner.

4 Our last Witness for today is Mr Glenroy Forbes, who  
5 has given evidence to the Commission before.

6 BY MR RAWAT:

7 Q. Mr Forbes, can I just begin by thanking you for your  
8 patience. I think it's taken longer to get to your evidence  
9 than we expected today, but we are grateful that you have been  
10 able to make yourself available.

11 You have given--you're giving evidence remotely today,  
12 and you have done that before, and I understand that you have  
13 access to the bundles, and hopefully we will able take you  
14 through them as we go through.

15 Can I ask you, as we do every witness, that you keep  
16 your voice up so you can be heard and your evidence is recorded.  
17 And if at any time I speak over you or you speak over me, then I  
18 will stop and I will let you finish.

19 Just for some background, it's right, isn't it,  
20 Mr Forbes, that you were Financial Secretary to the Government  
21 of the Virgin Islands until the end of 2020? Is that right?

22 A. Yes, Commissioner.

23 Q. And the topic that the Commissioner is considering  
24 today is the question of consultancy contracts, and the focus  
25 has been on contracts which were held by Mr Claude

1 Skelton-Cline, and in particular or in part we have considered  
2 evidence that relates to three contracts that Mr Skelton-Cline  
3 was awarded between 2019 and 2021, a period when you would have  
4 been Financial Secretary.

5 Now, the Commissioner has obtained documents from a  
6 range of entities in relation to this matter; and, as a result  
7 of the evidence, a Warning Letter was sent to you setting out  
8 potential criticisms that may be made of you on the evidence.  
9 As I've mentioned before, the letter, Warning Letter, is just a  
10 notice of potential criticism. It is not the concluded or--the  
11 provisional or concluded view of the Commissioner, but it is  
12 intended in fairness to you to put you in a position where you  
13 might be able to answer some of those criticisms in your  
14 evidence.

15 The first contract--and I'm not going to read out the  
16 Warning Letter in full. What I'm going to try and do,  
17 Mr Forbes, if I may, is just to ask you some questions and then  
18 go to it. But the first contract that--of the three that we are  
19 concerned with at the moment that Mr Skelton-Cline engaged in  
20 was on the 20th--was entered into on the 27th of March 2019, and  
21 it ran for a period of six months from the 25th of March 2019 to  
22 the 17th of September 2019. Now, that was a Petty Contract  
23 where the contracting Ministry was the Premier's Office.

24 What involvement, if any, would you have had as  
25 Financial Secretary?

1           A.     Commissioner, as I recall, I was made privy to the  
2 deliverables as well as it was stated under that particular  
3 contract, and I was a bit surprised in that one of the things  
4 that the Consultant was being contracted to do was to come up  
5 with new revenue measures or revenue-raising measures.

6           Commissioner, the subject of revenue-raising falls  
7 squarely within the portfolio of the Ministry of Finance. And  
8 as Financial Secretary, I would have thought that, at a minimum,  
9 I would have been consulted on the particular contract in detail  
10 before it was, you know, drafted or get--even entered into;  
11 right.

12           The way things turned out, as I recall, is that the  
13 Contract was entered into--and I was told that, as Financial  
14 Secretary, I'm supposed to monitor the Contract. In all  
15 fairness, it was almost impossible, and if not impossible,  
16 highly improbable for me to monitor the Contract the way it was  
17 entered into and the way it was drafted.

18           COMMISSIONER HICKINBOTTOM: Mr Forbes, just to pause  
19 for a second, when you say that you were told, as Financial  
20 Secretary, you were to monitor the Contract, are you still  
21 referring to the first contract, the six-month contract, or the  
22 later contracts which were for a year?

23           THE WITNESS: It was the latter one, more that I  
24 think, when I was told I needed to monitor the Contract, yeah.

25           COMMISSIONER HICKINBOTTOM: So, these are the one-year

1 contracts?

2 THE WITNESS: Yes, I think so.

3 COMMISSIONER HICKINBOTTOM: Yes.

4 Mr Rawat.

5 BY MR RAWAT:

6 Q. What I was asking you, Mr Forbes, was about the  
7 six-month contract which, on the evidence, was a Petty Contract  
8 with Premier's Office and Mr Skelton-Cline. What the Contract  
9 recorded was that Mr Skelton-Cline was to report directly to the  
10 Permanent Secretary of the Premier's Office and indirectly to  
11 the Premier.

12 A. Um-hmm.

13 Q. And he was given specific areas of focus as Strategic  
14 Advisor, but there wasn't, as there were in the later contracts,  
15 reference to revenue-generating initiatives.

16 In relation to that first contract, did you as  
17 Financial Secretary have any involvement with it?

18 A. Not that I can recall, sir.

19 Q. I will take you to the document if you need it, but if  
20 you could--if you give me a moment, I will find it. Perhaps if  
21 I just try reading it out to you rather than letting you access  
22 the document, but if you need to see it, page 2809 in bundle 3,  
23 Mr Forbes.

24 A. Go ahead, sir. Go ahead.

25 Q. It's a short point, so hopefully you'll be able to

1 deal with it, but there was an e-mail sent to you on the 7th of  
2 April at 20:19, which was from the Accountant General, and this  
3 was in relation to the first contract which was signed on the  
4 27th of March, and the Accountant General correctly drew to your  
5 attention, as Financial Secretary, that the effect--the Contract  
6 took effect from March 25th, 2019, but that effectively a  
7 request for advance payment had been made. And what's noted is  
8 that she was told it had to be an advance payment but the  
9 Accountant General does not give advance payments to  
10 Consultants.

11 And you responded two days later to say: "I agree  
12 your position on the matter, and advise that you do nothing more  
13 than you propose to do in the circumstances. I'm writing under  
14 separate cover to the Permanent Secretary, the Acting Permanent  
15 Secretary, in the Premier's Office, documenting my concerns with  
16 the Contract that has been entered into with Claude  
17 Skelton-Cline dba as Grace Consulting".

18 Can you recall now, firstly, whether you did, indeed,  
19 in April 2019 write to the Acting Permanent Secretary?

20 A. I cannot recall, Commissioner. I really can't recall.

21 Q. Can you recall having any concerns--well, what  
22 concerns you did have with that contract?

23 A. To start with, the whole idea of the advance payment  
24 because it has been a long-established policy within the  
25 Ministry of Finance, if not the Government, that we should not

1 be making advance payment on Petty Contracts for the simple  
2 reason that if any--if any payment is so made, Government will  
3 be unable to recover that money if the person walks away from  
4 the particular contract.

5           So, that would have been a concern that would first  
6 come to my mind once the matter was brought to my attention by  
7 the Accountant General.

8           COMMISSIONER HICKINBOTTOM: Your e-mail, Mr Forbes,  
9 though, says you are writing documenting my concerns with the  
10 Contract, and of course the advance payments weren't in the  
11 Contract. You made it clear that--the Treasury made it clear  
12 that they weren't going to pay it because it was a consultancy,  
13 and you said that's right. But can you recall any concerns you  
14 had with the Contract?

15           THE WITNESS: I--there were--there were a couple of  
16 ongoing issues that--that I had raised with the Premier's  
17 Office, one being the whole idea of consultants being given or  
18 afforded vacation holiday. I remember one of the things I was  
19 really taken aback with, and I would think now that I must have  
20 been concerned with--with the Government's ability to be able to  
21 monitor or determine what value is being delivered under those  
22 type of contracts. I cannot say with any certainty that at the  
23 time I was writing that I had seen the contract. I can't say  
24 that. I don't remember. I just can't remember. These things  
25 are, you know, foggy in my mind.

1           COMMISSIONER HICKINBOTTOM: Mr Forbes, firstly, we  
2 think you did see the Contract because this is your response to  
3 an e-mail which sent you the Contract; but second, that it was a  
4 term of the Contract, this consultancy contract, that there were  
5 15 days' holiday, so the holiday point which you mentioned may  
6 well have been in your mind because it was in this Contract.

7           Mr Rawat.

8           BY MR RAWAT:

9           Q. But taking on one of the points you said, Mr Forbes,  
10 you raised the question of these type of contracts and value for  
11 money. Did you have any particular concern about how easy or  
12 hard it was to measure value for money when engaging a  
13 consultant?

14          A. It all depends on what--what was to be delivered by  
15 the Consultant and what measures and mechanisms were in place  
16 to, you know, monitor/determine that you will really get some  
17 return on the investment that you were making.

18           Issues concerning this Contract had been something  
19 that had been ongoing for years. It didn't just start with  
20 Mr Cline's contract. I, as Financial Secretary, had been  
21 raising a number of issues with various agencies and departments  
22 within the Government for, you know, for eons.

23          Q. If you look at page 7542.

24          A. 7542. Let me see if I can find that.

25           (Pause.)

1           A.    You said 7542; right?

2           Q.    Yes.

3           A.    I can't--I don't find that one, sir. Can you just  
4 tell me what it is.

5           Q.    Well, it is part of that first contract, and it's an  
6 appendix to it, which sets out the roles of the Consultant.

7           A.    Okay.

8                    What exactly is the question?

9           Q.    Well, I was going to ask you whether on the  
10 description set out there it would have been easy to measure  
11 value for money.

12           A.    The--if I can recall because I think I must have  
13 read--if you're talking about Appendix A to the Contract? Is  
14 that what you're talking about?

15           Q.    Yes, to the first contract.

16           A.    Yeah.

17                    I believe--I believe without, you know, without  
18 concrete type of deliverables, you know, it would have been  
19 fairly difficult to gauge whether or not you were getting, you  
20 know, real value for the money spent, and I don't think that  
21 particular contract delineated, you know, very concrete type of  
22 deliverables. I don't think it did.

23           Q.    Well, let's go on to the second contract. The second  
24 contract started running from the 18th of September 2019 through  
25 to the 17th September--yeah, 17th September 2020, but it wasn't



1 signed until the 2nd of December 2019.

2 So, the process was--Mr Skelton-Cline's evidence was  
3 that he just continued working as a Consultant, so contractually  
4 the Contract was ultimately running from the 18th of September,  
5 but it wasn't authorized by Cabinet until the 22nd of November  
6 and not signed until the 2nd of December.

7 Can you explain--and it was a major--it was a contract  
8 that was a major contract, so he was to report to the Financial  
9 Secretary. What's the mechanism to pay a consultant whilst he's  
10 still waiting for the Contract to be signed?

11 A. Commissioner, I don't think there is any formal  
12 mechanism as such, but the situation described there is  
13 something that happens all the time in Government where, you  
14 know, contractors or consultants enter into arrangement before  
15 you actually sign a written contract. If it can be really  
16 technical, there can be a contract existing without  
17 documentation, written documentation. But the way I have dealt  
18 with that Financial Secretary when that occur, if it was shown  
19 to me that the consultant or the contractor had in good faith  
20 and honesty entered into work and did work and delivered on the  
21 work, and because of the bureaucracy or the slow--the slow  
22 movement of the wheels of government, I would then seek to--to  
23 prevail on the Accountant General in consultation with whoever  
24 is the Accounting Officer to actually make the payment to the  
25 individual.

1 Q. Because it was a Major Contract, it had to be varied  
2 or waived by the Cabinet, and therefore that needed a Cabinet  
3 Paper.

4 MR RAWAT: The Cabinet Paper we have is at 7235 in the  
5 same bundle, Commissioner.

6 THE WITNESS: Go ahead.

7 BY MR RAWAT:

8 Q. The new contract that it ultimately did was to give  
9 Mr Skelton-Cline the role of Strategic Advisor with remit to  
10 provide services as Strategic Advisor to assist the Government  
11 identifying and developing a portfolio of revenue-generating  
12 initiatives and be responsible for developing and delivering a  
13 minimum of three initiatives within the 12-month time frame that  
14 will generate a minimum of \$5 million.

15 Now, did you--firstly, did you have any involvement in  
16 drafting the Contract?

17 A. No, Commissioner. I don't recall, no.

18 Q. We've seen an e-mail from you to Mrs Smith-Maduro  
19 where you asked for an amendment to it. Her evidence is that  
20 this Project could have been a collaboration between the  
21 Premier's Office and the Ministry of Finance.

22 Does that make sense to you?

23 A. And there is a memorandum from me asking for an  
24 amendment?

25 Q. There is an e-mail from you proposing an amendment to

1 the Contract, just to a clause in the Contract.

2 A. Commissioner, can you be so kind and read that--read  
3 that memorandum, please, or that e-mail?

4 Q. E-mail. I hope that you might be able to find it,  
5 Mr Frett. It's page 5435.

6 A. 5435. Okay.

7 Q. Let me just read it to you.

8 (Pause.)

9 Q. If I read it to you, it's an e-mail sent on your  
10 behalf on the 6th of December 2019 to Mrs Smith-Maduro. You  
11 say: "Before finalizing the referenced contract for Grace  
12 Consulting, please amend Clause 3.2. The Premier's Office  
13 cannot have the Consultant reporting to the FS but have travel  
14 and the resulting reimbursement for the Consultant approved by  
15 the PS (Premier's Office) without the knowledge of the FS", and  
16 you then suggested an amendment to the Contract.

17 So, that would suggest that you had--you or the  
18 Ministry of Finance had been involved in the fine detail of  
19 drafting the Contract, wouldn't it?

20 A. I must admit, yes, we had some input. I don't know if  
21 I could find it in the draft, but we had some input.

22 Q. And you would have been responsible for taking the  
23 Cabinet Memo to Cabinet, wouldn't you?

24 A. I was responsible to advise the Minister of Finance on  
25 taking the Cabinet Memo.

1 Q. But the Ministry of Finance would have finalised the  
2 Cabinet Memo; is that right?

3 A. Yes, that's right, uh-huh, as a draft, uh-huh.

4 Q. Now, the Cabinet Memorandum, which is at 7235, records  
5 that--and this I will read this out to you, Mr. Forbes, at  
6 paragraph 15 on 7238: "It must be noted that the deliverables  
7 being sought from Grace Consulting are functions to be delivered  
8 by the Ministry of Finance and to advise the Ministry of Finance  
9 accordingly. In this regard, even though the Consultant will be  
10 reporting to the Premier, copies of reports should be furnished  
11 to the Financial Secretary." And this was in the context of the  
12 decision to seek a waiver.

13 As it happens, you were under--the final version of  
14 the Contract has Mr Skelton-Cline reporting directly to the  
15 Financial Secretary. And this was a 12-month contract.

16 How did you go about monitoring Mr Skelton-Cline's  
17 performance under the Contract?

18 A. I remember meeting with Mr Skelton early in the  
19 process. And when I inquired of him as to the--as to how  
20 frequently he was supposed to submit his--these reports, I think  
21 he told me monthly, and at that point I told him seeing the  
22 volume of work that was on my desk that I couldn't do a monthly  
23 thing, and I would be satisfied to get Quarterly Reports from  
24 him. I think that's what we agreed, and I think I communicated  
25 that information to Mrs Smith-Maduro sometime in e-mail or

1 telephone call or what, but I think I communicated that  
2 information to her, that I had agreed for monthly--Quarterly  
3 Reports, I'm sorry.

4 Q. You did, indeed, do that. You did it by e-mail, and  
5 it's an e-mail dated the 6th of May 2020.

6 MR RAWAT: Commissioner, it's page 2562.

7 COMMISSIONER HICKINBOTTOM: Thank you.

8 THE WITNESS: 2562.

9 BY MR RAWAT:

10 Q. On May 6, 2020, which would have been some way into  
11 the Contract, you confirmed that you had agreed with Mr Cline,  
12 you told him he could produce the Report on a quarterly basis.  
13 But he was being paid on a contract, on a monthly basis, so was  
14 the position that from the time that you agreed that variation  
15 with Mr Skelton-Cline that you were still paying out on invoices  
16 on a monthly basis but just expecting Quarterly Reports?

17 A. Yes. Yes, Commissioner.

18 Q. And in terms of--you have spoken of the deliverables,  
19 but in terms of--and I can deal with it this way: When that  
20 second contract, the one that the financial--where  
21 Mr Skelton-Cline was asked to report to the Financial Secretary,  
22 when that came before Cabinet to determine whether the Contract  
23 should be awarded and whether there should be a waiver, the  
24 paper was presented by the Ministry of Finance, and one point  
25 that was raised was concerns expressed by the Financial

1 Secretary that Grace Consulting's duties would overlap with  
2 their mandate to recommend revenue-generating initiatives, and  
3 the Minister of Finance is recorded as saying he discussed this  
4 concern with the Financial Secretary who subsequently agreed to  
5 Grace Consulting's role given the Ministry of Finance's current  
6 workload.

7 Now, this seems to take us back to the point you made  
8 earlier to the Commissioner about the revenue generation sits  
9 with the Ministry of Finance, so could you just explain a little  
10 bit more, Mr Forbes, just what concerns did you have about the  
11 revenue-generating initiative that was being placed on  
12 Mr Skelton-Cline's shoulders?

13 A. Commissioner, the Financial Secretary within the  
14 Ministry of Finance, on an annual basis as part of producing the  
15 Annual Budget for the Territory, advises the Minister of Finance  
16 on what he thinks or what he projects as the level of revenue  
17 that the country can produce, and hence that will determine the  
18 level of expenditure that a contract can make in any given  
19 financial year.

20 So, if--if Mr Cline had a contract to generate revenue  
21 or revenue-generating measures, I think there need to be--there  
22 would need to be very close collaboration with what Mr Skelton  
23 was doing and what the Ministry of Finance would be able to do  
24 in terms of projecting the revenue in any given period, in a  
25 given fiscal period and going forward. So, those are some of

1 the concerns I would have had.

2 But let me just explain something, which is almost an  
3 anomaly in the Central Government, and that is, somewhere along  
4 the line--right?--between when I had my last stint at the  
5 Ministry of Finance and when I took this--my prior stint before  
6 this last one at the Ministry of Finance where any money  
7 matter--any matter involving money--and it's more than  
8 \$100,000--okay?--it is said that the Minister of Finance needed  
9 to take the paper to Cabinet.

10 Now, I have some views about it but which I'm not  
11 going to expound on it right now, but what happens in reality is  
12 that the subject Ministry is the one that needs to draft the  
13 paper that is then sent to the Ministry of Finance because, in  
14 truth, in fact is a subject Ministry that has the information  
15 about whatever the subject matter is. So, in this case we're  
16 talking about, that paper would have been drafted in the  
17 Premier's Office and sent to us at the Ministry of Finance.

18 Q. Would you not have had, as appears to be usual, to  
19 have contributed at least the Ministry of Finance's views on the  
20 financial implications?

21 A. Yes.

22 Invariably, I mean, there are times when somehow it  
23 has slipped through, but more often than not, the Financial  
24 Secretary is required to comment on the financial implication.  
25 There are decisions being sent up--a draft of this letter being

1 sent up to Cabinet.

2 Q. In terms of monitoring the work on that 12-month  
3 contract, Mr Skelton-Cline was required to report to you as  
4 Financial Secretary. You've explained that there was an  
5 agreement outside the Contract that he could do so on a  
6 quarterly basis, so four times a year.

7 What the Appendix A to the Contract required  
8 Mr Skelton-Cline to do as well as identifying a minimum of three  
9 initiatives within the time frame that will generate a minimum  
10 of 5 million was to conduct thorough market research, financial  
11 analysis modeling and forecasting, and social impact assessment  
12 of proposed initiative.

13 Now, would you have expected--what information would  
14 you have expected to be in a report from a consultant tasked to  
15 find revenue-generating initiatives?

16 A. First, you will have to identify whatever those areas  
17 are. You will--you will have to, you know, determine what the  
18 target is. You will have to run various progression models and  
19 to find out--which incidentally, Commissioner, within the  
20 Ministry of Finance, there is a unit called the "Macro Fiscal  
21 Unit", and those things that Mr Skelton would be required to do  
22 are the same type of exercises that the Macro Fiscal Unit  
23 actually conduct for the Ministry of Finance in order for us to  
24 do revenue projections and determine what expenditure and all  
25 that stuff. They're the ones to do that.



1           I am--I am--I was and am still surprised--right?--that  
2 Mr Skelton would have been able to, by himself, to deliver on  
3 those requirements and those particular deliverables. He would  
4 have to have some number of persons, skilled person, work with  
5 him. Despite what his skill sets are, he would need additional  
6 assistance to do what he was being required to do.

7           Q. Before I continue, I didn't quite hear you quite  
8 clearly, but you referred to the unit in the Ministry of Finance  
9 is the Macro Fiscal Unit?

10          A. Yes, sir.

11          Q. Okay. But you do recall the reports that  
12 Mr Skelton-Cline did submit to you? Do you remember seeing  
13 those Reports at the time?

14          A. I think I lost you for a moment, Commissioner. Can  
15 you repeat the question, please?

16                COMMISSIONER HICKINBOTTOM: Yes, we will, thank you.

17                BY MR RAWAT:

18          Q. Do you recall that the reports Mr Skelton-Cline  
19 provided to you?

20          A. Yes, Commissioner, I remember seeing the reports, but  
21 Commissioner, I want to be--well, I am. I want to be quite  
22 candid. My ability as Financial Secretary to monitor in a true  
23 sense of monitoring that particular contract, as I said earlier,  
24 was near impossible to do for a number of reasons.

25                The first I will start with, I believe when it comes

1 to revenue-raising, I felt that that was a subject of the  
2 Ministry of Finance, and it would require us in the Ministry of  
3 Finance, if Mr Skelton were going to help, Skelton-Cline was  
4 going to help in that area, we would have to sit with someone in  
5 the Premier's Office with him and determine exactly what it is  
6 we want to get out of this particular contract, and we have to  
7 have certain milestones, you know, certain targets, research  
8 target we go to the next step and on and on. That was not the  
9 case.

10 And to be quite frank, at the time when this was going  
11 on, as Financial Secretary, I was in, I would say, perpetual  
12 crisis management mode, and I was--and I was, maybe with 2020  
13 hindsight, I was actually selecting which battles I will fight,  
14 you know? And I know I couldn't fight all the battles that were  
15 being tossed at me.

16 My main objective at that time was to make sure that I  
17 avert a financial crisis within the Territory. That was my aim.  
18 And if you ask me, I would say I did not, for a number of  
19 reasons, did not monitor that Contract the way it should have  
20 been monitored, and I'm going to take the fall for that.

21 One, I was under-resourced--right?--to start with, and  
22 there was so many other things that were going on at the time, I  
23 just didn't pay that much attention to Mr Skelton and that  
24 particular contract because I felt that it would have been a  
25 waste of my time basically because I could not properly monitor

1 it. Clear and simple.

2 Q. If you had had the time and resources to properly  
3 monitor it, what would you have done?

4 A. Well, I said from the very beginning, from the  
5 inception of the Contract, during the negotiation  
6 stages--right?--I would have made sure that we had concrete  
7 milestones in terms of contract in terms of deliverables Mr  
8 Skelton-Cline should have delivered to us. When he would be  
9 reporting, he would then say in his report, "Okay, I have  
10 accomplished this, I didn't because of these reasons but I hope  
11 so if you do A, B, and C to accomplish it", but that was not the  
12 case.

13 Q. Did you consider the reports that you did receive to  
14 be adequate?

15 A. No, I don't--I don't think they were adequate. And I  
16 don't think they were adequate, and at the same time I did not  
17 pay very much attention to them. I'm being quite frank. I did  
18 not.

19 Q. Could I just take you--and I will again, Mr Forbes, I  
20 will read them, but it's another e-mail exchange that you were  
21 involved in.

22 MR RAWAT: Commissioner, it's your page 2814.

23 BY MR RAWAT:

24 Q. If you find it all well and good, Mr Forbes, but  
25 hopefully I will try and take you through it.

1           A.    Okay.

2           Q.    The first report that was submitted to you by  
3 Mr Skelton-Cline was dated the 22nd of January, and on the 24th  
4 of January, you sent an e-mail to Mrs Smith-Maduro copying in  
5 Kedrick Malone, who was then PS in the Premier's Office, and you  
6 attached, it appears, that report, and you said: "Please see  
7 the attached document which signals my approval to pay the  
8 Consultant. His Report is also duly submitted for your  
9 records".

10                   Mrs Smith-Maduro responded on the same day: "Thank,  
11 FS. I had a quick glimpse through the Report, and I have some  
12 concerns I would like to discuss in person with you and my PS at  
13 your earliest. My concern should not stop this payment but  
14 there may need to be some adjustments to Mr Skelton's reported  
15 deliverables moving forward".

16                   For various reasons that the meeting could not be set  
17 up immediately, and on the 5th of March, you wrote to  
18 Mrs Smith-Maduro apologizing for not being able to meet sooner  
19 and suggesting a date, and she confirmed that she would be  
20 available. And Mr Malone, who was still then but then coming  
21 into the end of his time as a--as the Permanent Secretary,  
22 chipped in to the e-mail correspondence with this, and this was  
23 on March the 7th, 2020: "FS, I still think we need to have the  
24 meeting requested by DS Maduro as this matter needs addressing  
25 as it presents exposures for all concerned".

1           So, first question, Mr Forbes, is: Do you recall  
2 there being a meeting between yourself and at least the Deputy  
3 Secretary in the Premier's Office?

4           A. I can recall her requesting a meeting, but I--I can't  
5 recall actually having that meeting. I can't recall.

6           Q. Do you recall whether in any other way you learned  
7 about Mrs Smith-Maduro's concern with that first report?

8           A. Yeah, I believe she had verbally said to me that  
9 Mr Skelton-Cline was dealing with things that were not in the  
10 Contract. I think she mentioned that at some point--mentioned  
11 in a meeting with me.

12          Q. Did you, yourself, have any direct conversation or  
13 exchange with Mr Skelton-Cline about what else he was doing that  
14 was not within the Contract?

15          A. No, I don't recall.

16          Q. Your understanding was that the Contract provided for  
17 deliverables, and specifically that the initiatives to generate  
18 at least \$5 million, and was that what you understood the focus  
19 of the Contract to be?

20          A. Yes, Commissioner.

21          Q. If you give me a moment, please.

22          A. All right.

23               (Pause.)

24           MR RAWAT: Thank you.

25           Commissioner, I think I have reached the conclusion of

1 my questions for Mr Forbes on this topic.

2 (Pause.)

3 MR RAWAT: Mr Forbes, whilst you were stepping away to  
4 look for a file, I was telling the Commissioner that I have  
5 reached the end of my questions for you today.

6 THE WITNESS: Thank you.

7 MR RAWAT: But can I conclude by thanking you for  
8 making yourself available and also for the assistance you have  
9 given the Commissioner today.

10 COMMISSIONER HICKINBOTTOM: Yes, thank you, Mr Forbes.  
11 Can I echo that, and thank you for your time and your patience  
12 and the frank way in which you have given your evidence. That's  
13 been very useful. Thank you very much.

14 THE WITNESS: Thank you, too, Commissioner.

15 (Witness steps down.)

16 MR RAWAT: Thank you, Commissioner. We are resuming,  
17 I think, with a hearing on Friday.

18 COMMISSIONER HICKINBOTTOM: Good. Thank you very  
19 much.

20 (End at 6:06 p.m.)

## CERTIFICATE OF REPORTER

I, David A. Kasdan, RDR-CRR, Court Reporter, do hereby certify that the foregoing proceedings were stenographically recorded by me and thereafter reduced to typewritten form by computer-assisted transcription under my direction and supervision; and that the foregoing transcript is a true and accurate record of the proceedings.

I further certify that I am neither counsel for, related to, nor employed by any of the parties to this action in this proceeding, nor financially or otherwise interested in the outcome of this litigation.

A handwritten signature in cursive script, appearing to read "David A. Kasdan", is written above a solid horizontal line.

DAVID A. KASDAN