

HOUSE OF COMMONS
ORAL EVIDENCE
TAKEN BEFORE THE
SCOTTISH AFFAIRS COMMITTEE

BLACKLISTING IN EMPLOYMENT

TUESDAY 27 NOVEMBER 2012

MR IAN KERR

Evidence heard in Public

Questions 1043 - 1420

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Oral Evidence

Taken before the Scottish Affairs Committee

on Tuesday 27 November 2012

Members present:

Mr Ian Davidson (Chair)
Jim McGovern
Iain McKenzie
Pamela Nash
Simon Reeve
Alan Reid
Lindsay Roy

Examination of Witness

Witness: **Mr Ian Kerr**, former Chief Officer of The Consulting Association, gave sworn evidence.

Q1043 Chair: Welcome, Mr and Mrs Kerr. The clerk will now put you under oath. (*Mr Ian Kerr was sworn*) Thank you.

Could I welcome you to the Scottish Affairs Select Committee? As you are aware, we have been conducting an investigation into blacklisting and various aspects thereof that flowed on from an inquiry that we had into health and safety. For the record, could you introduce yourself and also your wife beside you?

Ian Kerr: My name is Ian Kerr. My background, very briefly, is that I was a primary teacher and a secondary teacher in Lozelles, Birmingham, and in Warley, the west midlands, having trained as a teacher, up until 1969. I left in 1969, ostensibly to earn enough money to get married. I joined the Economic League as a training officer in 1969 up until 1993, the time of the demise of the Economic League. I was an employee of the League. In 1993 I was invited to become the chief officer of the Consulting Association, up to its demise in 2009, as a salaried employee.

This is the first time that I have spoken in public about the Consulting Association, except for a very brief phone call with a newspaper reporter, who sent me a copy of an article that he was proposing to publish, inviting my comments. This was in March 2009, soon after the Consulting Association was wound up. As I had a brief conversation with him and was misquoted, I have subsequently had no conversations with any reporter or website operator since. I am happy to answer any questions from my witness statement.

Q1044 Chair: That is helpful. Maybe I should explain for the record that your wife is sitting beside you as an assistant. She also worked for you and she is there as a memory prompt, but it is not appropriate that she answers questions since, to be fair, she wasn't called as a witness.

Ian Kerr: Good. She was actually employed as the bookkeeper.

Q1045 Chair: Could we start off by asking you to explain how it was that the Consulting Association was formed and whose idea it was to establish the Consulting Association?

Ian Kerr: Let me go back to the Economic League. Within the Economic League there was a group known as the Services Group, which was composed of the construction company members who were already, for the most part, members of the Economic League. Because of the problems that the industry perceived it had—I am going back to the early '70s, before my involvement in these matters—the industry decided it wanted to take steps to cover itself because of the national strike it had had in the early '70s, so that it would not be caught in that way again. Subsequently, for a further subscription, those companies wished to form what was called the Services Group. That was operated within the Economic League on behalf of the construction companies. Economic League staff were given an additional role—or a role—which was to look after the construction companies' needs, which were very wide-ranging. I became party to that as the League's fortunes changed and the training activities wound down. I was one of the last people doing training with the League; if it was available and wanted, it carried on. That was my role.

I then moved across to being one of the co-ordinators. Each region of the League had a Services Group co-ordinator. I eventually became the midlands region co-ordinator up to the point when the League ceased operating and the Services Group companies chose to continue as an operation. It, effectively, held a series of meetings with various chairmen. I was invited to some of these, at which point I subsequently was asked if I wanted the role of chief officer. It was then organised and set up by the steering committee as an unincorporated trade association. I was its main employee, with a contract of employment, PAYE and salaried.

Q1046 Chair: Let me clarify. Companies have a corporate personality, but presumably it was individuals within the companies who organised the establishment of the Consulting Association. Who were the first officers of the Consulting Association? I have seen the constitution, so I see that there were officers. Who were they?

Ian Kerr: The constitution allowed for a chief officer—that was me—a chairman, a vice chairman and allowed for various other people who were supporting the chairman, effectively.

Q1047 Chair: Who were they?

Ian Kerr: Who were they? At its inception, the first chairman was the person who was there guiding it towards becoming the Consulting Association. There had been previous chairmen between the League and this point—that was Cullum McAlpine of Sir Robert McAlpine.

Q1048 Chair: Who were the other officers?

Ian Kerr: Eventually, there was a vice chairman, who was Tony Jennings.

Q1049 Jim McGovern: What do you mean by “eventually”?

Ian Kerr: It was feeling its way in the early days, so it was not a matter of bang-bang-bang putting this person in place or that person in place and so on. It had a chairman.

Q1050 Jim McGovern: Initially, it was you and Sir Robert McAlpine.

Ian Kerr: It was who? I am sorry.

Q1051 Jim McGovern: Initially, it was just you and Sir Robert McAlpine.

Ian Kerr: No, I am sorry.

Q1052 Jim McGovern: You said “eventually”.

Ian Kerr: The Consulting Association set itself up with those companies that had seen that it needed to have this organisation. So there was the gentleman who became the chairman and there were representatives on a committee that was then in place to set it going of the other companies who wished to be members.

Q1053 Jim McGovern: As the Chair said, who were these people?

Ian Kerr: Who were they? I can tell you the companies much more easily than—

Jim McGovern: No, no. It is the names of the people.

Q1054 Chair: Maybe you could tell us the companies first, and then you could name—

Ian Kerr: I am trying to remember this because I thought you would be asking. There was a representative from John Laing. His name was Dennis Madden, I think. This is going back a long time.

Chair: I appreciate that.

Ian Kerr: God rest them; some of them may not be alive. Tarmac had a representative, John somebody, whose surname I forget. Amey had a representative, who I think was named Ray Randall. Amec had a representative, who I think at the time was Dennis. Again, I am sorry, I can’t remember his surname. I know it looks as if I am not wanting to, but I literally can’t.

Chair: I understand.

Ian Kerr: At Ballast Wiltshier that was a gentleman called Keith Horner. Taylor Woodrow’s representative was Ian Leake. For Walter Llewellyn—I think they were there at the start—that was a Tim Llewellyn. John Mowlem had a gentleman who was the company secretary, whose name I can’t recall. Balfour Beatty Construction had a representative. Trafalgar House had a representative; that was Peter Coles, now retired, I know. Balfour Beatty Civil—I can’t recall who that was at the time. Higgs & Hill had a representative, Mike somebody. Kier had a representative, a gentleman called Ernie Boswell. Norwest Holst had a representative, who was a gentleman known as Frank Nolan, now deceased. Edmund Nuttall had a representative, who was a lady called Bridget May. Morrison Construction—

Q1055 Chair: I am sorry, but we are just checking about the microphones. Can we turn them up at all? Where is the microphone lady?

Ian Kerr: Shall I carry on?

Chair: Yes, please.

Ian Kerr: Morrison Construction’s gentleman was John Morrison. Willmott Dixon had a representative, Ben Goodman, and Sir Robert McAlpine—Cullum McAlpine.

I think, to the best of my ability and memory, those are the companies that were party to the inception. I have to say that this is taken from a list from 1996, and there is a reason for that. With regard to all the paperwork on company files that related to subscription charges, invoices for quarterly use and meeting charges, I think our accountant said that we had to keep those for nine years. When we came to devise a list for my court case of companies that were members, we could only go back as far as 1996. I have tried to extrapolate from that the membership that I think was correct in 1993. I may have got one or two mixed up.

Q1056 Chair: I see; I hadn’t realised that. So your accountants will hold all the paperwork relating to the financial affairs of the Consulting Association going back, what, nine years?

Ian Kerr: I kept the audited accounts. We had audited accounts each year, which were signed by the chairman and the vice chairman, and other members of the committee, if they wanted to, at an annual general meeting, which was held once a year. So, yes, I think there are two years where these accounts are missing, for whatever reason.

Q1057 Chair: But the others still exist and are available.

Ian Kerr: Yes, they do.

Q1058 Chair: I read in your report that things had been destroyed. Have they been destroyed?

Ian Kerr: I did destroy everything.

Mrs Kerr: Yes.

Chair: You are not allowed to speak.

Ian Kerr: It goes back to the ICO, really. The ICO came and raided our offices with a warrant for an immediate search. They took away our quick reference system. They took away the body of carded information that was in an open, tall, double-drawer cabinet, which was unlocked for dealing with the day-to-day business. I was the only one in the office, contrary to what the ICO gentleman, Mr Clancy, thought. He thought there was somebody else in, but there wasn't. My wife was in hospital at the time. She wouldn't have been in on that particular day. He took these cards away. He took all of the invoices that were in filed books, which were available too. They returned all of that in photocopy form to us and kept the originals.

Up to the court case, I kept these. Frankly, I didn't know what was happening, where we were going and what use they would or would not make of them to whoever, plus there was an awful lot going on to do with the winding-up of the business, which I undertook to do on behalf of the membership from a personal point of view because I didn't want to be seen to be on the wrong end of bad debts or anything of that sort.

After the court case, I stopped and considered what to do with all of this. The obvious thing to do was to get rid of it all. It was, in all honesty, so thoroughly burnt that there is no chance of any of it remaining. This was information that had been sent back to me by the ICO.

Q1059 Chair: I have seen all the original material from the ICO because I went up there on Monday. What I am seeking to clarify is the accounts of the organisation.

Ian Kerr: I am sorry.

Q1060 Chair: Your copies of those were burnt as well, but, presumably, your accountants would still have those, would they?

Ian Kerr: Only in terms of what an accountant needs to do legally, I would say.

Q1061 Chair: That is helpful. Other than that—

Ian Kerr: I've still got the audited accounts.

Q1062 Chair: Oh, you've still got the audited accounts.

Ian Kerr: The actual audited accounts I've still got.

Q1063 Chair: Fine. I think it would be helpful—

Ian Kerr: I am sorry. I thought you meant the paperwork that backed up the point, because each year I had to provide a long list of stuff to the accountants from which they devised each year's annual accounts. That, I think, would have gone.

Q1064 Chair: I think it would probably be helpful if we had a copy of those, if that is acceptable to you. The clerks will take a note, and we will write to you about all the things we are agreeing as we go, but we would certainly want to have a copy of the—

Ian Kerr: Certainly, because it is to our advantage.

Q1065 Chair: Indeed. I want to be clear that when the Consulting Association was established, all the companies that were involved in establishing it had already been involved with the Economic League, and for them it was a logical carry-on from the wreckage of the Economic League. Is that fair?

Ian Kerr: Yes. By and large that was the case. Certainly two dropped out. There were two previous chairmen at the transitional period. One dropped out; he was a gentleman from Bovis. The reason for that was that they, in their words, ceased to become a major construction company and moved into house building. That was my understanding, but I could be corrected on that. That is the way I saw it. So he stood down. They ceased to want to carry on and be a member of the embryonic Consulting Association. The other gentleman was from G. Percy Trentham, and they were taken over and lost the trading name. He lost his role in the company so he stood down. It was at least two. Then there were possibly others, which I would have to think carefully about.

Chair: Okay. That clarifies that point.

Q1066 Simon Reeve: Could you help me to understand, on a day-to-day basis, how the Association actually operated?

Ian Kerr: Assuming we are up and running as the Association.

Q1067 Simon Reeve: Yes; from the time when you were up and running.

Ian Kerr: The member companies paid an annual subscription and they also paid a fee per use they made when they accessed the body of information.

Q1068 Simon Reeve: What sort of sums are we talking about for subscription and fees?

Ian Kerr: At the very start, I think it was £3,500. It was realised by the committee that this had been pitched too high, so it came down to about £2,500. We had a fair surplus, so there was actually a year—I think it was in the third year—where they didn't pay a subscription. This was backed up by the quarterly charge uses for the use that the current members were making of the referencing service. Can I just explain why we had to have a year without fees?

Q1069 Simon Reeve: Let me just understand the figures.

Ian Kerr: The reason was that as an unincorporated trade association—

Q1070 Simon Reeve: Can I just understand the figures first? If I am a company and I subscribe, I pay an annual fee of initially about £3,500, but it dropped to £2,500.

Ian Kerr: And it then went up and down for the rest of the time.

Q1071 Simon Reeve: Do I then pay every time I phone for some information or do I have a quarterly fee that covers as many phone calls as I want?

Ian Kerr: It is the latter, but it wasn't per phone call. Actually, it was done by fax.

Q1072 Simon Reeve: We will come on to the method, but let me just deal with the cost. How much was—

Ian Kerr: It was a cost per name that was put through to the office from a member to access their own information.

Q1073 Simon Reeve: What was the quarterly rate?

Ian Kerr: It was a per item, per name, rate. Again, that varied. That went up and down. There were two ways of getting the information.

Q1074 Simon Reeve: At the moment I don't know at all how much it was, so you give me an idea.

Ian Kerr: To start with, I have a feeling that it was £1 or £1.50. Again, that went up to £1.75 to £2, but it came down.

Q1075 Simon Reeve: In terms of access per name, it was £1, £2 or a figure of that sort of magnitude, and in terms of annual subscription it was £2,500 or a figure of that sort of magnitude.

Ian Kerr: I think when we were put out of business, as it were, by the ICO, the subscription was £3,000.

Q1076 Simon Reeve: What was the individual fee at that time, in 2009?

Ian Kerr: That was about £1.75—£2.20, I think.

Q1077 Simon Reeve: As to the mechanics of making an inquiry, you said it was not by telephone. I interrupted you, so please would you give me an understanding of that?

Ian Kerr: We had a very clearly established routine. I can give the longer answer, which perhaps would be the most helpful, which is that each company had a main contact. Their details were kept in what was called a red binder—a red book—per company. It was by company reference number and by name. There was sometimes a second contact should that first contact not have been there for any reason. In addition to that, there was a blue book, which consisted of the personnel departments' users, who were the day-to-day clerical users, who would be in charge of amassing those names for whichever trades the company was putting together for a particular project. Say they wanted 100 names or, say, 20 people; they would probably put an advert in and accept an application from 50, out of which they would probably eventually take 20. Part of the process of deciding who to take was to put those names through the Consulting Association.

Q1078 Simon Reeve: Perhaps I could stop you because you are jumping ahead of what I am asking. What I really want to understand to begin with is, if I am sitting and working for a particular company and I want to contact the Consulting Association to spend £1.75 on a particular name, what are the mechanics of that? Do I phone you up and say, "Can you tell me about Fred Smith?" Do I send you a fax, or how do I do that?

Ian Kerr: The main contact was the head of HR at director level or HR manager level. He controlled, or was in charge of, the personnel—the HR recruitment department. He would have one or two people—two or three, maybe, at the most, probably—who were the people who had our telephone and fax number. They would devise lists of people they were considering employing and fax those through to us with their unique reference number on. We would check them against the lists we had, which we could reference with a single line number. In most cases they were all clear—

Q1079 Simon Reeve: Let's just stick with the mechanics. The mechanics are that I'm involved in a project, I've got a list of people I'm thinking of employing, and either myself, at a senior HR level, or one or two people I trust, have got your fax number and, if there are names on the list that we want to check, we send you a fax with the name, you receive the fax, you go to your book of information, you look up the name and you then send back a copy of the information that you hold. Is that the mechanics of it?

Ian Kerr: Not quite. They didn't send information through of people they were concerned about. They would send a whole list through. They could put an advert in their local paper for electricians, bricklayers and what have you—a mixture of people. The whole list would come through. Most of the time we would go back, by telephone, identify the list and say to the HR department girl or man, "All clear." If there was a name that we had information on, we would say to them, "All clear, except a certain name", and that would be the end of the conversation. I would then speak to the main contact.

Q1080 Simon Reeve: So for the £1.75 or whatever per name, it's not that you were given a single name and asked to comment on it; you were given all the names and asked to go through the list and, as it were, put a mark next to anyone about whom information was held and to provide that information.

Ian Kerr: Yes. It didn't come back to the HR department. It was deliberately withheld from them because it went to the main contact on the basis that he was a well-experienced IR HR manager. He would know the site, or he would find out which site it was; he would know the potential for that site to have particular problems, which may be linked to whoever it was. So he would have three choices, which were to recommend—he recommended to the site, not me; I gave him the information as it was on a card, pure and simple, with no suggestion as to what he should do with it, no comment and no interpretation. I gave it to him as boldly as it was on the paper.

Q1081 Simon Reeve: You would have to accept, would you not, that, if you sent back a list of 30 names and in respect of three of those people there was a mark of whatever colour and comment, there is some—at least implied—criticism of those people?

Ian Kerr: That is true, yes. I would accept that, but I wouldn't be asked to comment.

Q1082 Simon Reeve: But you wouldn't need to, would you, because by attaching the information to a particular name that makes whatever point is being made?

Ian Kerr: At the same time, if you have looked at the cards that were held, there would be notes on them, because we recorded who the inquirer was, the company, and the person's initials would be held as the main contact. It could be shown that some companies took a harder line, to be fair, and didn't employ because—I think this is what you are saying—the name was there. Some would say, "Well, that was a long time ago", or "He's not to come along with any of the others,"—say there were half a dozen involved in a project. "We'll take a chance. We will note and monitor." In other cases, if the information was quite old or they thought it was minor, or if they knew the person it had come from and they thought that person was too hard, too harsh, they would say, "We'll take him on." This depended, to a degree, on the company's philosophy. Some were more hard and earnest than others.

Q1083 Simon Reeve: What was your salary as chief officer?

Ian Kerr: At the start it was £20,000.

Q1084 Simon Reeve: What was it in '09 when you finished?

Ian Kerr: When we ceased trading, it was £47,500. The only additional amount I had was a half-yearly bonus, which we all had, paid in December—sorry, a half-month's bonus, which was half the December salary as a bonus.

Q1085 Simon Reeve: At the end the total remuneration package was over £50,000.

Ian Kerr: Yes, given that I had life insurance, BUPA and a car.

Q1086 Simon Reeve: So you had a car, life insurance, BUPA, a salary of nearly £50,000, plus half of December's salary as a bonus.

Ian Kerr: Yes. There were no other payments made of any sort off any books. We had a very strict accountant, so I wouldn't want to have done that.

Q1087 Simon Reeve: That is quite a lot of money just to read some information off a card.

Ian Kerr: The actual services we provided were, I would say, threefold, which was the maintenance of this bank of information; anybody who was a member had the right, by virtue of being a member of the Association, to add information in. I didn't vet it or filter it. My role was to accept it from them and install it into the system. So there was that side of the business. The second part of it was that we held a series of meetings for members who attended. They were held in private of course. Some of them were held on company premises; the majority were held in hotels. Three were held in London for ease of convenience; one started being held in Scotland. We stopped that because it was too far for people to go. The industry was evolving. Instead of having regional IR people, you tended to get a chief IR person from the centre coming along.

Q1088 Simon Reeve: You are putting information on to the cards. I know that is a way of describing that part of the job. You are facilitating and perhaps chairing meetings. You said there were three areas. What was the other one?

Ian Kerr: I chaired some other meetings. I devised the agendas. The agendas came from the members.

Q1089 Simon Reeve: What was the third area?

Ian Kerr: The other area was that I read—I obtained—I made it my business either by subscription or trawling around a lot of the very interesting, I have to say, radical bookshops that existed in London. There used to be a very good one in Camden, which closed, the Compendium. There was another one in Charing Cross and in Caledonian Road called Housmans. They used to be helpful. There was one in Leamington.

Q1090 Simon Reeve: What were you going to them for?

Ian Kerr: To pick up the sort of publications that would not normally be found in W H Smith, shall we say, or a normal bookstand.

Q1091 Simon Reeve: Give me an idea.

Ian Kerr: As an indication, I had a subscription to the *Socialist Worker*, *The Socialist*, *Labour Research*, which was a very good radical and statistical magazine, and to a lot of anarchist magazines, which kept coming and going by the nature of anarchy and anarchists. There was a whole range of fringe publications around then.

Q1092 Simon Reeve: So, armed with the literature that you have just described as activists in fringe literature, the database of names and information, and being funded by the

companies that you have described, what was the perceived problem that the Consulting Association was trying to solve? Why were you doing what you were doing? To what end?

Ian Kerr: Companies could find that a lot of their time was taken up as a result of groups or individuals who took action outside the normal machinery that was very well established in the construction industry for the various sectors. There were different books—the blue book, the red book and the green book, which were the industry’s bible. If there was a problem, you took the book and you could look it up and see the committee or a platform by which matters could be discussed. By and large, that was to allow the companies to get on with what their role was, which was to construct—to fulfil an obligation, a contract, on time, get off the site on time, fulfil its shareholder obligations, and fulfil its obligations to 98.9% or whatever of its—

Q1093 Simon Reeve: To put it bluntly, there were people the companies regarded as troublemakers.

Ian Kerr: Yes.

Q1094 Simon Reeve: And your job was to help them not employ those people by providing information as to who they were and what their background was. I am not suggesting they were troublemakers. I am saying that was the perception, and you facilitated their being not employed.

Ian Kerr: It was to bring these names to their attention. It wasn’t to facilitate them not employing. It was so that it was drawn to their attention and they would make a decision.

Q1095 Simon Reeve: What would be the purpose of drawing the information to the attention of a company unless it was to allow them to recognise an individual and not employ them? There could be no other purpose to doing it.

Ian Kerr: Yes. I understand that, except—

Q1096 Simon Reeve: But do you agree with it?

Ian Kerr: Not quite, because, as I said a little earlier on, there were varying shades of what they chose to do. For instance, in certain instances, people were quite well known to them. They knew that if they turned them down there would be trouble. So perversely, it was easier to take them on in some cases and put them in a position where they weren’t perhaps—

Q1097 Simon Reeve: But you were not involved with that aspect, were you?

Ian Kerr: No.

Q1098 Simon Reeve: Companies came to you with a list of names.

Ian Kerr: Yes.

Q1099 Simon Reeve: Presumably, they had no information about any of the people on the list. They asked you to indicate if any of the people on the list were in the records, and they would then make a choice about whether to employ them or not.

Ian Kerr: That is correct.

Q1100 Simon Reeve: What you were doing was working with the companies to allow them to weed out certain people who would not then be employed.

Ian Kerr: Certain people, yes.

Q1101 Simon Reeve: Were there any other companies or organisations performing that function as well as the Consulting Association?

Ian Kerr: Not that I can say with certainty. There were always suggestions. The meeting platform ranged across a very wide range of topics. People could say openly whatever they wanted. It was an open forum. Occasionally, suggestions may have been made there. I can't think of an instance.

Q1102 Simon Reeve: Who do you think may have been involved in doing what we have just described the Consulting Association as doing?

Ian Kerr: There was an instance when a company called Rosser & Russell ran into some problems on site with some people who we knew about. Rosser & Russell were an M&E company that was taken over by Norwest Holst, which became Vinci in France. It transpired that they had used a service somewhere and these people had not been flagged up to them. So the contact I had in Vinci brought them on board as a user within that company and the service.

Q1103 Simon Reeve: Somebody came to you because another body who had been doing the same task had not in fact flagged up some people, and they lost confidence then in that supplier of this service and they brought their business to you.

Ian Kerr: Yes. There were various individuals who, over a period of years, had accrued a mass, because of their being in the industry, or bank of information.

Q1104 Simon Reeve: For a time there were at least two bodies—yours and whoever it was who failed the company that became your clients.

Ian Kerr: I wouldn't dignify it quite so far as to say that.

Q1105 Simon Reeve: How would you say it?

Ian Kerr: I don't know.

Q1106 Simon Reeve: Somebody came to you because the previous people they dealt with let them down.

Ian Kerr: I didn't hear from the other people that they were using this other company. That is one instance.

Q1107 Simon Reeve: That is one instance. So at that time there was AN Other company and yourselves.

Ian Kerr: At least, or AN Group of Companies or whatever.

Q1108 Simon Reeve: I think we are in danger of agreeing. I think we agree on that. Thank you, Chair.

Ian Kerr: Could I just very quickly tie up the threefold operation, Mr Reeve? This involved me reading all of these publications I received, cutting from them and doing, three or four times a month, a mail-out, in three or four categories, to the companies who were interested in specific aspects. So it was threefold. In a way, they all interlinked: referencing service, meetings where some site problems could get discussed, plus the transfer of undertakings, plus personal service companies. It was a whole range of things—wage negotiations, anything—and the cuttings, where my mind would be directed to what to look for, which came out of the meetings, by and large. So it was cut down to three things.

Q1109 Simon Reeve: The primary function of the organisation for which you were chief officer was to flag up people against whom information was recorded and whom your clients may not wish to employ. That was the primary function, wasn't it?

Ian Kerr: I think that is fair to say. I would be kidding myself, and I think I was kidding myself, into thinking that it was a threefold operation. I was perhaps the only one who thought that.

Q1110 Chair: Can I come back to the question of the press cuttings? As I said, I saw the material that is now held by the Information Commissioner. Quite a number of the cards had envelopes clipped to the back within which were cuttings that named specific individuals, and the cards to which they were attached were the cards of the individuals to whom the cuttings referred. The press cutting service, presumably, was also to identify people who were politically or industrially active. Is that correct?

Ian Kerr: It actually did do that, but that wasn't the prime purpose. It was to give a wider overview of what was being said about the construction industry. Some of the individuals whom we had on these lists were actually named as authors in some of these small pieces, I seem to remember. Again, their major article in, say, *Socialist Worker*, or what have you, about a particular site problem, may mention one or two of these people. It would be in an envelope attached, which would be easier than sticking it on to a card.

Q1111 Mr Reid: Was the information that was held on these cards about individuals always information that was critical of the individuals?

Ian Kerr: Was it always critical of the individuals?

Mr Reid: Yes.

Ian Kerr: Well, I suppose, yes; I suppose so. It was factual. The point is it was factual. As far as I could see, it was factual, because I was in the hands of the providers. There was no question. They were the experts—it was how they put it to me.

Q1112 Mr Reid: Would it be fair to call it a blacklist then?

Ian Kerr: A blacklist, by my reading or as a dictionary definition, is a list of people that you wouldn't want or are there because they are to be excluded. Let's put it that way. Coming back to the answer I was giving earlier, it wasn't always the case. It wasn't a true and genuine blacklist in that if their name was flagged up they wouldn't be employed. Full stop.

Q1113 Mr Reid: Would you think it fair to suggest that if an individual was on your database, it would make a prospective employer less likely to employ them?

Ian Kerr: Was the employer likely to what?

Q1114 Mr Reid: Would the fact that an individual was held on your card index make a prospective employer less likely to employ that individual?

Ian Kerr: I have to say that if that was the case, yes. I have to say further, for what it's worth, that as time went on we realised that some companies were much harder in their response to us just having a name, or having a name which was only partially identified, and we asked them for more information. By asking them for more information, it meant sometimes that that was the end of the matter; they wouldn't employ.

Q1115 Mr Reid: Is your argument, then, that it is not a blacklist because being on the list didn't mean that the person wouldn't be employed? Therefore, is your argument that it would only be a blacklist if being on the list meant that they were never employed?

Ian Kerr: If it meant they were never employed just because they were on the list, I would say that it wasn't a blacklist in that understanding of the term. Some companies were more strict in their response. Others were much more lenient and prepared to give people a second chance, if you like. Also, as time went on, with certain companies, if people's names hadn't cropped up since they were originally put into the system, which could go back for up to 10 years or more, we didn't bother to tell them because we knew what their response would be. I say "we"; this is me and the office staff. Therefore, we did not reply with that information. We gave them the all clear because we felt that there would be a most definite wrong being done.

Q1116 Chair: I will come back to some of the information that is on some of the cards. I remember, in particular, one example, where somebody had been dismissed for having cigarettes underground, and there was an entry on the file from an employer—I think this was about 10 years later—saying that because this had been so long ago they were willing to employ him. It then recorded that they did so. So it was not automatic in all cases. Perhaps it is splitting hairs, but that was the only case I saw in the files I looked at that said that somebody had been taken on despite having had a card against them.

Ian Kerr: Could I add to that very quickly? Should that name have cropped up again from a different company, we would have given them the last inquirer's decision as well as the original information. So that would have been an attempt to be fairer to balance it up. One would assume that that company would have decided, "If that was the attitude of the last person inquiring, we will take the same attitude." You have to remember that these main contacts all knew each other very well from all the different meeting platforms that they met on, plus the fact that the Association held quite a lot of meetings where they got to know each other well. They would know the style of their opposite number in the companies, their personality, their approach and their company's approach to these sorts of matters.

Q1117 Jim McGovern: I must confess that I am getting a sense here of, "It was a long time ago and I was only following orders." If I picked you up correctly, you would be able to influence a prospective employer for the cost of either £1.75 or £2.20 on whether that potential employee would be able to put a meal on the table that week. Your influence could direct that.

Ian Kerr: I influenced them inasmuch as I provided their own information back to them without comment as to what they may or may not want to do about it. Does that answer your question?

Q1118 Jim McGovern: I have a supplementary. You mentioned your annual salary. Was there any sort of performance-related pay, such as by how many columns you might increase on?

Ian Kerr: If you went through the audited accounts carefully, and if you asked our accountants, they would tell you no.

Q1119 Jim McGovern: No, I am asking you.

Ian Kerr: No. Absolutely not. I have taken an oath; categorically not.

Jim McGovern: Thank you.

Q1120 Iain McKenzie: Mr Kerr, you must have got more information from your subscribers than just a name to check. I would expect them to have given you addresses, dates of birth, and national insurance numbers perhaps. If they gave you all that information—and that is quite a bit of information on, say, 50 people at one time—you said you cross-

referenced them and you would come up with one; you would back to the subscriber what that had rung up in your list. You would be left with 49 names with, as you said, national insurance numbers etc. What did you do with those? Were you ever encouraged to take them forward? Were you ever encouraged to spread them out and see what came back to add to your list? What did you do with that additional information that was sat there?

Ian Kerr: I didn't understand the last bit. What did I do with which bit of information?

Q1121 Iain McKenzie: The information that was left over. Once you were asked to check 50 names, and as you said, occasionally, you would come up with, you would feed that back to the subscriber and you would be left with 49 names and quite a bit of information as well. What happened to that confidential information? Were you encouraged to take that forward and do a further check? Did you use that yourself, or did you retain that for some future inquiry?

Ian Kerr: We would reply by telephone to the person from the HR department who had sent the 50 names in. They would be told, "One name we haven't cleared." I would speak to the main contact and he would get back to me so as to give a decision. The other names should be shredded. Once we had recorded the numbers so that we knew how to charge them quarterly for the use they had made, whether it was £1.25 or £2 per name, we would shred those at the end.

Q1122 Iain McKenzie: So you are saying that you never took that additional information in and put it into your sources to see what came back to add to your listing. They were just shredded.

Ian Kerr: No, because if we had no information on them they were of no use whatsoever for our purposes.

Q1123 Iain McKenzie: So you never used it to build up your list.

Ian Kerr: The only way that the lists were added to was when a main contact chose to put a name into the system. That was the only way names came up.

Q1124 Pamela Nash: Mr Kerr, earlier you were very clear that you were actively looking for information. Just to be clear on Mr McKenzie's question, were you ever asked to seek information on an individual that you did not already have information on?

Ian Kerr: Very occasionally in a meeting forum, possibly. The way the system worked, because it was a very close-knit effective network, people wouldn't have the need to do that. If the name had not come from themselves or one of the other members, they would have a—they would know, because of what I have explained to you, that I wouldn't know.

Q1125 Pamela Nash: But there were occasions, even if they were few, where you were specifically asked to find information on individuals that you didn't have on your records.

Ian Kerr: No. I was asked on one occasion, very early on in the days of the Association, which I remember was a meeting in Scotland. A name was raised. It was a name that was brought up. Bear in mind that this was a meeting in Scotland of more local people, and the way the service was working hadn't, possibly, been fully fleshed out, which was probably in the first year. The question was asked, "Has the Association the facilities to look into other people—to look into a particular individual?" I could see the way that was going, to be honest with you. We certainly hadn't got the resources to do that and we hadn't got a mandate from the Association to do it, so my answer to that was no.

Q1126 Pamela Nash: Do you remember who asked you to find that information?

Ian Kerr: Who asked? I can picture the meeting. It was a group of people in the Trusthouse Forte Hotel at Glasgow airport. I know Amec were a company there, and there would probably have been one or two of the Balfour Beatty representatives there. I say “probably”, but I can’t be certain. I don’t want to say things which are guesses.

Q1127 Chair: Could I come back to the question of the names? As I mentioned before, I went to the Information Commissioners and I saw the ring binder with the four columns of names. The names in the ring binder were typed up in different colours. There was black, red, green and blue. Was there any particular significance to the colour of the name?

Ian Kerr: They were colour-coded, I think.

Q1128 Chair: What did the colours mean?

Ian Kerr: Black meant IR general—group, groupings, a grouping.

Q1129 Chair: What does “IR” mean? Does it mean “industrial relations”?

Ian Kerr: Sorry, yes; industrial relations.

Q1130 Chair: So those were people who were involved in trade union activities, were they?

Ian Kerr: No, not necessarily.

Q1131 Chair: What does “IR” mean then?

Ian Kerr: IR means the whole gamut. It is a term that is not used these days, really, isn’t it? Construction is a transient industry. A company comes along and sets up a site out of the blue from nothing. It needs to get a lot of information together quickly. It needs to know the HR people, senior people, the site level people, and it needs to know who their opposite numbers are in the trade unions. That is the only way you are going to get the site moving. If you don’t, you’ve got problems because it was literally down to—

Q1132 Chair: I am sorry for interrupting. Maybe it would be helpful if you told us what the other colours were, because there were lots of names.

Ian Kerr: Green certainly meant people who were into environmental problems. In the mid ’90s the industry was, literally, taken unaware by the people who came along and built tree houses, cut the hydraulic lines on the equipment and put sand in the tanks, because at the time it was quite easy to win a contract and put a route through an area. There wasn’t a lot of attention paid to what got knocked down and what site of special scientific interest was filled in along the way.

Q1133 Chair: So green related to environmental activists. They were not building workers or construction workers.

Ian Kerr: No, that is correct. At the time the industry didn’t know so we had a separate meeting forum to discuss all these matters. The targets were the M11, Twyford Town, the Manchester second runway and the Bath eastern bypass. It was those sorts of contracts, which were hit very badly. The M11 had a very large oak tree that stood in the way for ages, which became a postal address and had letters addressed to it. I had a lot of sympathy for these people because it brought the industry round to realising that you certainly had to be a darned sight more careful—

Q1134 Chair: If there was a name in green ink or green type, they were presumably not people about whom the companies were phoning you to consider employing, were they?

Ian Kerr: As it turned out, that was the case at the time. There were examples that cropped up at these meetings where some people gained employment in construction companies and worked within, as you would expect.

Chair: I see.

Ian Kerr: There are examples where they occupied the Tarmac offices in Wolverhampton and stopped the place from operating for a while. One person got on to the switchboard of a company.

Q1135 Chair: So these were people who were environmentally motivated, who might have been seeking employment with construction companies.

Ian Kerr: It turned out to be that way. At the same time we collected a whole body of information that, in turn, was of use to the industry, and the industry in fact put a paper to the Federation of Civil Engineering Contractors, which was to tell the companies that were going to consider applying for an environmentally sensitive contract what to bear in mind before they did that, which I thought was very positive.

Q1136 Chair: Let's take red, then. What did red mean—the ones that were typed up in red?

Ian Kerr: I think actually it was orange. It wasn't red.

Q1137 Chair: Maybe I was slightly colour-blind. It certainly wasn't any of the other colours. All right—red or orange then.

Ian Kerr: I think those were M&E workers—mechanical and electrical—which was a division.

Q1138 Chair: I see. So it was a category of trades.

Ian Kerr: Yes.

Q1139 Chair: It wasn't a political reference or anything like that.

Ian Kerr: No, no.

Q1140 Jim McGovern: I didn't quite hear. What was orange?

Chair: M&E—mechanical and engineering, I presume you mean.

Ian Kerr: Yes, which was a division.

Q1141 Chair: You see, in the west of Scotland we would never use orange or green to categorise anybody. Therefore, we have a slight reservation about that because it has a different connotation there.

Ian Kerr: What's that?

Q1142 Chair: It is a religious connotation. Now, blue, presumably, does not refer to conservatives, I take it.

Ian Kerr: No.

Q1143 Chair: Or Rangers, indeed. What did blue refer to?

Ian Kerr: I am just trying to think what blue meant. I think they were old, in the main. I don't mean old people.

Q1144 Chair: I didn't go through them myself. I couldn't quite remember. Black was what—the rest?

Ian Kerr: Black was everything else, yes.

Q1145 Chair: So we had the four columns. We had the name, the date of birth, the national insurance number and then the trade. In the top right-hand corner was an update date. I presume that, every now and again, you combed the files and took out people who had either left the industry, were dead or something like that?

Ian Kerr: Or were added in.

Q1146 Chair: When you were adding people in, did that mean that you had to retype the whole list or did you just add them in at the bottom?

Ian Kerr: You have hit the nail on the head there. To prevent us having to completely type out a whole list of single lines on A4 paper, which we held alphabetically, we kept that information on a stick that we used on a computer, so I would just put the stick in and delete a name or add a name and enter another page. If it was "Gone on to", you would have to do the next page. That was for speed.

Q1147 Chair: That element of the files was held electronically, on computer.

Ian Kerr: For that purpose only.

Q1148 Chair: Are they still held? I am asking are they still held.

Ian Kerr: Oh, are they still held? No. It was part of the destruction of everything.

Chair: That was destroyed; fine. Simon, you wanted to come in.

Q1149 Simon Reeve: Can I ask you very briefly about something you said to Mr McKenzie? Were the inquiries always made by fax?

Ian Kerr: By and large, yes, except if there were less than 10 names. If they put out a late request with two or three names or one name later on, then they were allowed to telephone us with under 10 names.

Q1150 Simon Reeve: The answers were always given by telephone, you said.

Ian Kerr: Always by telephone. We identified the list.

Q1151 Simon Reeve: If the request had been made by fax, the fax was shredded.

Ian Kerr: They were shredded at the end of each day.

Q1152 Simon Reeve: At the end of the process, the system that you had in your office meant that there was no evidence whatsoever that the process had ever taken place.

Ian Kerr: Except that there were totals per company for invoicing purposes.

Q1153 Simon Reeve: Yes, but no detail.

Ian Kerr: No.

Q1154 Mr Reid: On the information that was being held about the workers, was it always about political activities?

Ian Kerr: No. It could have been about political activities. It goes back to the days of the problems in the industry in the early '70s. A lot of that was motivated by people who were

anti-capitalism, therefore the Communist party at the time, the Socialist Workers' party and the Militant Tendency, which later became the Socialist party.

Q1155 Mr Reid: What other activities would be recorded as well as political activities?

Ian Kerr: It was as wide as the person who was the main contact chose to put information in.

Q1156 Mr Reid: If the worker was perceived to be lazy, is that the sort of thing that would be included?

Ian Kerr: I have got some notes here, if that helps. The information in general related to specific site incidents, which could be working conditions, hours worked, overtime rates and bonus payments, where these were seen by an individual or a group, and they wished to cause an outbreak of dissent on a site.

Q1157 Mr Reid: Was it information about people's activities that were seen to be disruptive rather than comments about how good a worker they were?

Ian Kerr: Oh, yes, very much so. Threatening behaviour would be another category; major thefts and persistent drug problems—this is where there was distribution, perhaps on site. Certain sites were so sensitive that if somebody came in on a sensitive job, unless they were fully 100%, there would be a major, major problem. The company had an obligation to ensure that that didn't happen.

Q1158 Mr Reid: So there would be lists of people's disruptive activities.

Ian Kerr: Yes; individuals or groups with grievances against the contractor.

Q1159 Mr Reid: Would it be fair to summarise it by saying that the database was information about disruptive activity? Would that be a fair comment?

Ian Kerr: It was activity that, one way or another, impeded the business of getting the job done to a particular logistical process in a time scale. Time meant money, I suppose. There were activist groups that we held information on, and their political affiliations, when these were seen to be against a company's interest. There was a body called the Joint Sites Committee, which sought to stand outside the normal negotiating machinery to try to influence relating to money, travel time and things like that. If there were strikes going on against a union's own directives, such as Pfizer Sandwich, which was an unofficial strike, which was the Amicus union at the time or Unite, as it is now, who repudiated it, which is the term, and therefore they didn't back the strikers, that kind of information was recorded.

Q1160 Lindsay Roy: Mr Kerr, could you enlighten us by telling us how many people worked for the Consulting Association and how they were recruited?

Ian Kerr: I was the chief officer throughout the whole period. My wife worked as the bookkeeper and did clerical work on the referencing side. I, effectively, was the only full-time person. There were three other part-timers, my wife and two others, who worked different days of the week. That was it.

Q1161 Lindsay Roy: What were their main jobs? The bookkeeper sounds a bit like Al Capone. Can you tell us exactly what they did? What were the jobs exactly of the people who worked for you?

Ian Kerr: It was to type, generate meeting agenda files, put together reports that occasionally I wrote on particular issues—

Q1162 Lindsay Roy: Just type them up.

Ian Kerr: To type them up, yes; to send out invoices; to put together these mail-outs, which were pasted on to a free paper, bagged up, stamped and sent out. We did three, four or, sometimes, five a month of those—three to five a month. That's about it.

Q1163 Lindsay Roy: Did they have any role in putting information on what you call reference cards?

Ian Kerr: Yes. They would do the tidying-up of information that had been given to me. The chances are that it was mostly over the telephone, or maybe at one of the meetings we held.

Q1164 Lindsay Roy: Did you dictate this or was it handwritten and then it was typed up?

Ian Kerr: Yes. I used to use a slip system. I used to put the company name on a slip and then write it out. It would be done retrospectively.

Q1165 Lindsay Roy: How important in the job was it that you read out this information sought by companies to individuals or companies that had asked for it? Was that the key part of your job?

Ian Kerr: Yes. I regarded it as that because it had to go to a specific person. If that person wasn't there, I didn't give the information to anybody else, unless it was a large company and they would have a nominated second deputy, if you like. I, alone, gave that information. I never left it for their attention with a secretary. I never gave it back to the people who sent the faxes in. That was to ensure that you had a secure system operating.

Q1166 Lindsay Roy: A secure or a secret system.

Ian Kerr: Yes—no. I would rather just come back to that and say that yes, I suppose your term "secret" applies, but the information wasn't just swimming around in an HR department. It was in the hands—very tightly controlled—of one individual, who, because of his or her experience in the industry, would know how to deal with that information. Everybody recognised that this was sensitive information—secret, sensitive information.

Q1167 Lindsay Roy: Did you ever have a conscience about things you read out to company representatives?

Ian Kerr: Like I said, over a period of time, I began to think that certain companies were particularly hard-nosed in their approach and we didn't give that information to them. I think I answered that earlier, if that's good enough.

Q1168 Lindsay Roy: Did you ever have reason to question the information you were given, or was that not perceived as your role?

Ian Kerr: That wasn't my role, no. To be fair to them, they made contacts. They didn't deal in what they saw as trivialities. I know that anybody could take issue with that.

Q1169 Lindsay Roy: Did you think that some of it was triviality; for example, who people associated with? Was that the kind of information that was there?

Ian Kerr: I may have done on occasion, but I can't think of anything that comes immediately to mind. I don't think that was a large road to go down and explore.

Q1170 Lindsay Roy: You said earlier on that you had a significant salary and each year you got a bonus. Is that correct?

Ian Kerr: No, I didn't say that. I said that each year every December, whatever the salary level was for each of us in the office, we received half of that as a taxable bonus. If you were paid £40,000 or whatever and that month it would be £1,000, I would have got £500 amount additional salary, taxable in the normal way, for December.

Q1171 Lindsay Roy: What did you and what did others have to do to achieve that bonus?

Ian Kerr: Continue doing the job to the satisfaction of the Consulting Association's membership.

Q1172 Lindsay Roy: Who monitored that and gave you feedback as to how effective you were in your job?

Ian Kerr: Anybody could phone me up and tell me a meeting had gone wrong, which they did, occasionally. I think I was accused of spending too much time on something at one meeting, as an example, by somebody—one person. Effectively the route was those companies that were particularly company-structure minded would do it through the then chairman at the time, but it rarely happened.

Q1173 Lindsay Roy: Who were you directly accountable to?

Ian Kerr: To the Association through the chairman and vice chair.

Q1174 Lindsay Roy: Therefore, was there an appraisal of your work?

Ian Kerr: No, there was not. It had the fortunate—sorry. One of the less stressful parts of the job was that it didn't run on a very tight structural basis in that sense. Construction companies being what they are—by and large pretty single-minded in what they want out of life—I think I would very soon have been told “You're out if this goes on”, or, “You've one more chance”, or that sort of thing. That didn't happen.

Q1175 Lindsay Roy: You are telling us that no one really monitored what you were doing on behalf of the Consulting Association.

Ian Kerr: We had a finance committee. I produced a report. It met in October and then in February, and then we had an annual meeting in April.

Q1176 Lindsay Roy: Who was on that committee? Who chaired that?

Ian Kerr: Who was on the committee?

Q1177 Lindsay Roy: Yes. Who chaired the committee and who were the other representatives?

Ian Kerr: The chair of the committee was whoever the chairman was at the time of the Association.

Q1178 Lindsay Roy: And other members.?

Ian Kerr: There would be the vice chairman. There was always a vice chairman.

Q1179 Lindsay Roy: Who was that?

Ian Kerr: I can tell you a list of who the chairmen were.

Chair: Fine; that would be helpful.

Lindsay Roy: Could you give that to us in writing?

Chair: If you give us that in writing, it will save us time just now. We would like a list of the chairs in succession and a list of the members of the executive. That would be helpful.

Q1180 Lindsay Roy: Would it be fair to say that it was quite a loose organisation if there was no effective monitoring of what was happening, apart from the finance part of it?

Ian Kerr: I am awfully sorry. I was just getting my paperwork out.

Q1181 Lindsay Roy: Apart from the finance, nobody monitored the way in which the business was conducted; it was self-monitoring.

Ian Kerr: It was a system that was understood clearly by all. Part of my job was to ensure, for instance, to any new company came on board that I explained very thoroughly how it worked. Each of them was aware of the need, because it was, if you like, a secret organisation, to keep its information. People were very good and very thorough in keeping to the rules and regulations that it had in its constitution, for a start.

Q1182 Lindsay Roy: Can you just confirm who your major clients were? We understand, for example, that Carillion spent more than £32,000 on checks between 1999 and 2003. Is that accurate?

Ian Kerr: Would you say that again? I am sorry.

Q1183 Lindsay Roy: Between 1999 and 2003 Carillion spent more than £32,000 on vetting procedures.

Ian Kerr: If that has been taken from ICO figures, then I am sure that is correct.

Q1184 Chair: When I was up there, I saw the book that was seized by the Consulting Association. That, I take it, has everything in it, does it? There is nothing else apart from that.

Ian Kerr: Apart from the book.

Q1185 Chair: From that book. The Information Commissioner is going to send me a copy of that. There is nothing else relating to what companies were being charged other than what is in that book. If it is all in the book, we don't need to spend time questioning you about this now.

Ian Kerr: Everything that you have seen to do with the invoices, which they took and they still have the originals of, were charges for an annual subscription, a quarterly invoice charged for the usage made, and charges ranging from £50 to £60 up to £150 for attending meetings, wherever those meetings were held, per person who they sent per company.

Q1186 Lindsay Roy: The details of turnover and so on would all be included within that.

Ian Kerr: I am sorry. What?

Q1187 Lindsay Roy: The details of annual turnover would be included in that.

Ian Kerr: Details of what? I am sorry.

Q1188 Chair: Turnover; the turnover of the Consulting Association.

Ian Kerr: Oh absolutely, yes; that would be in the audited accounts.

Q1189 Chair: You said that you had invoices. Are they the lines in the book or do you have other invoices as well? I was under the impression that all of the other invoices had been destroyed.

Ian Kerr: Anything that came back to me was destroyed. The information that the ICO took away would have been up to nine years old only because, legally, we had to keep the information back for a certain period.

Q1190 Chair: The only thing that the Information Commissioner seemed to have was the book, but I can't remember what the book was called now. It had single-line entries and charges against companies.

Ian Kerr: It was the day book.

Q1191 Chair: The day book. Would it have been the day book?

Ian Kerr: It was orange or red-coloured.

Q1192 Chair: I can't remember. It was orange, red or whatever colour. There is nothing else still available, is there?

Ian Kerr: No. I have nothing; I've got nothing—I haven't. The only information I kept, which I didn't burn, was to do with employee files.

Q1193 Chair: Yes. That is the individual members of staff. That is reasonable. I understand that.

Ian Kerr: Yes, I didn't know.

Q1194 Lindsay Roy: In your written submissions you spoke about intellectual capital.

Ian Kerr: Intellectual property.

Q1195 Lindsay Roy: Intellectual property, right. Was that principally the names or were there other bits of intellectual property that it referred to?

Ian Kerr: That referred to the body of names that we started off the Association with. In general terms, "intellectual property" was the term used by the initial committee.

Q1196 Lindsay Roy: It would be the totality of names that you had acquired over a long period of time, not just the initial names. It would be the totality of names that you had acquired over a long period of time and that you were using.

Ian Kerr: That description of it being intellectual property would fit in, yes. It is as good a term as any.

Q1197 Lindsay Roy: Lastly from me, "reference" often implies a kind of formality about it—that somebody is giving a reference. Why did you call them "reference cards"?

Ian Kerr: Not for the reason that I think you are implying—that they were a reference. It was because they referred from the main quick reference list; it was the back-up information. It led from the one-line entry to the de facto information as to why we had a one-line entry.

Q1198 Lindsay Roy: From what I understand, they certainly weren't full references.

Ian Kerr: No, no.

Simon Reeve: Chair, I have a very quick point.

Chair: Jim has been waiting for a time. I will take Jim and then you, if you don't mind.

Ian Kerr: The cards were full references. I think Mr Roy understands that.

Chair: They were not full references. They were cards to which you referred—that was the meaning I took from it.

Q1199 Lindsay Roy: They were not full references at all. They were bits of information that you gleaned from different sources.

Ian Kerr: If I was applying to you for a job and I sought a reference in the normal meaning of the word, it didn't apply to that.

Q1200 Lindsay Roy: It was really a card to which you referred—a tit-bit or a piece of information that you had acquired. Would that be a fair summary?

Ian Kerr: Sorry?

Lindsay Roy: It would be a piece of information you had acquired from another source. It certainly wasn't a full reference.

Ian Kerr: Yes. That is correct, Mr Roy.

Q1201 Jim McGovern: If we could just go back to a question that Mr Roy put to you about your remuneration package, you seemed to indicate—I asked you a question earlier on about bonuses—that you received a bonus on your salary each month.

Ian Kerr: No, no.

Q1202 Jim McGovern: Let me finish, please. I worked in the construction industry for 25 years, and apart from the time I spent serving my apprenticeship, for the remainder of that 25 years I was always on a bonus scheme, but to get that bonus you had to hit a target. You had to achieve something. What was it you had to do to get your bonus?

Ian Kerr: Remain in the job.

Q1203 Jim McGovern: Remain in the job.

Ian Kerr: It was a Christmas present.

Q1204 Jim McGovern: Just turn up.

Ian Kerr: Stay in it from year to year. It was a recognition. You could ask anybody that question and I think they would find it difficult to answer.

Q1205 Jim McGovern: I never got a bonus for turning up. I had to hit a target.

Ian Kerr: I'll let you have that. Yes, it was for turning up.

Jim McGovern: Okay; thanks.

Ian Kerr: Sorry, I don't mean to be facetious, but I can't think of how to develop that.

Q1206 Simon Reeve: I think you were saying as your evidence that you got a Christmas bonus that was a percentage of your December salary in the way that people used to get a Christmas bonus.

Ian Kerr: Half of my December salary.

Q1207 Simon Reeve: I thought you said earlier that you were concerned that some companies were taking too tough a line with the information you supplied so you stopped supplying them with information. Is that right?

Mrs Kerr: No.

Ian Kerr: We didn't stop supplying them with the information. If a name came up on a list from a particular company and we were able to identify the person or only partially identify them, we got to realise that just by going back to them and saying, "We need some more information to be sure"—

Q1208 Simon Reeve: You said that some companies took a tougher line than others in the use they made of the information that you supplied, so some companies might say, "That was a long time ago. It was very different." You said that some companies took a tougher line, and you said you were concerned and you stopped providing the information. Is that right? Did you mean to say that?

Ian Kerr: In certain cases and instances we would think, "We will not bother to give them that information. We will let them believe it was clear."

Simon Reeve: You would what? I am sorry.

Ian Kerr: If we did not have all the details and also if the information was—

Q1209 Simon Reeve: We are talking about two different things. I am talking about your answer where you said, "We supplied the information to some companies and some companies took a particularly tough line in the way that they used it, and so we stopped supplying the information to them."

Ian Kerr: Not period. We didn't strike them off the service, if that is what you meant.

Q1210 Simon Reeve: What did you mean by the answer that you stopped supplying information?

Ian Kerr: What I meant was that if they sent a list of, say, 20 names into us and we could quite clearly say, "No, we don't know 19", but there was one name where we had partial identifying features, like the name, the area they lived, and maybe a bit of the address and a bit of their date of birth but we couldn't be positive, some companies we perceived over a period of time would think, "That's good enough for us" and not employ them. We ceased to give that bit of information on that particular name back to the company, so we would say that we had 20 clearances.

Q1211 Simon Reeve: With some companies, because they were very tough in the way they applied it, if you only had a partial answer, you kept the answer back because you were worried that they would use the partial answer when it might not be accurate.

Ian Kerr: Totally unfairly.

Q1212 Simon Reeve: Which companies were they?

Ian Kerr: The Balfour Beatty companies were particularly hard-nosed, I found—we found.

Q1213 Simon Reeve: Was there anybody else?

Ian Kerr: Skanska tended to be, or could be.

Q1214 Simon Reeve: Again, when you write to us, will you give us a list of the companies that were—

Ian Kerr: I can't think of any others.

Q1215 Simon Reeve: They are the ones that you remember.

Ian Kerr: Yes. The other thing that I did want to say was that some of the companies would not be given information where it was old information, and for the original entry there

had never been a further inquiry. We thought that we would make the decision that that was not enough.

Q1216 Pamela Nash: Mr Kerr, I appreciate that you are going to provide us with a list of the companies that were your clients, but in your written evidence you demonstrate knowledge about the contracts that these companies were going for when they asked you for the information, and you have listed a whole range of Government contracts that they were going for.

Ian Kerr: Some Government contracts.

Q1217 Pamela Nash: There is quite a list here that you have given us. Just to be clear, did you supply information for any company that had gone on to gain a contract with the ODA?

Ian Kerr: Yes. Bearing in mind that we went out of business in 2009, the earlier stages of preparation for the keynote buildings—the velodrome, the swimming pool and all the rest of it—hadn't got very far, but with the groundworks, the preparation of the sites, yes, we were involved.

Q1218 Pamela Nash: Are you able to specify the companies, then, that were given contracts by the Olympic Delivery Authority?

Ian Kerr: I can't be ultra, ultra 100% on this, but the companies that I think we did work for on this were Robert McAlpine, one of the Balfour Beatty companies, possibly Skanska, but I can't be certain. This was the early stages, so they may well have been building up bodies of people whom they were going to be asking to work for them further down the line. As I say, it was the early stages from our point of view.

Q1219 Pamela Nash: I understand. It would be useful, when you give us the list of the companies, if you could give us any indication of contracts that might be of interest to us that they went on to have. Another one that is not specified in your list is the Crossrail contract, and the subcontractors who asked you for information when they were bidding for the Crossrail contract.

Ian Kerr: There was an awful lot of discussion at our meetings about Crossrail because it was perceived as going to be a problematic contract, similar to the Jubilee line. We thought that similar sorts of problems would probably arise. In relation to Crossrail, Balfour Beatty had a lot to say on that.

Q1220 Pamela Nash: Would you be able to give us that information?

Ian Kerr: If I can remember it. It is old evidence, I am afraid, in my head. I haven't got it written down, so I will do my best.

Q1221 Pamela Nash: So that could be provided as written evidence after this meeting. Could you provide that in writing at a later stage?

Ian Kerr: Yes.

Q1222 Pamela Nash: You also mentioned hospitals and schools. Rather than being one high-profile project, there is the volume. The number of hospital and school contracts is of great concern to the Committee. Do you have information held on the subcontractors that were bidding for those contracts up and down the country from local authorities and regional governments as well?

Ian Kerr: I put that in because they were PFI contracts. Most of them were on hospitals; there were schools, but they didn't seem to cause an awful lot of problems. Certainly the major PFI hospitals that were built were built by members. You said "subcontractors". There is a distinction between the main contractor and the subcontractor. You could have one of the members as a main contractor employing some of the others as subcontractors. You had very large subcontractors. The term didn't mean that it was a small contract of course. They, internally, employed their own subcontractors, and they would employ subcontractors down the line.

Q1223 Pamela Nash: It is fair to say that contracts for schools and hospitals were given to subcontractors who had received information from you before they bid for them.

Ian Kerr: Yes, or they were building those and chose to use us during the process to ensure that they built the hospital on time, which is a fairly decent ambition.

Q1224 Pamela Nash: Were you ever approached directly by any Government Department or anyone in the public sector for information?

Ian Kerr: No.

Q1225 Pamela Nash: Never.

Ian Kerr: No.

Q1226 Pamela Nash: Did they ever give you any information for your files?

Ian Kerr: Not to me directly, they didn't; that's for sure. I had no links with any police department whatsoever or any security department whatsoever, and I was never a private investigator, for the sake of this part of the discussion. Any information that came in came via the named contacts. The main part of the contacts' jobs was to keep a very good liaison with their opposite numbers in the unions, which was accepted procedure. There is nothing unusual whatsoever about that. In the process of running a site efficiently, they would have made all sorts of odd contacts.

Q1227 Pamela Nash: Including with the police.

Ian Kerr: Oh, yes, for sure, even if it was only to do with a theft off-site, an attempted break-in or a grievance matter to keep the site open where there was an unofficial protest.

Q1228 Pamela Nash: I understand that. Before I hand back to the Chair, in an earlier evidence session we had with the ICO, David Clancy specified that there was information that would appear to have been on an Irish national, and I quote: "An individual has been given security clearance to work on MOD construction sites." There was information about this that they seized from you. This was at a time when people from Ireland were being monitored.

Ian Kerr: People from?

Pamela Nash: People from the Republic of Ireland were being monitored on the contracts that they were being given in the UK. There was information on this in your files. Did you have a role at all in security clearance of Irish nationals working on MOD contracts?

Ian Kerr: Could that be answered in private?

Q1229 Chair: I am not sure, actually. I will ask the clerk. What is the procedure about questions like that being answered in private? *[The Chair took advice from the Clerk]* We can ask some questions in private if we wish. If you are saying to us that you would prefer to have that question asked in private, then we would be willing to do so in the circumstances.

Ian Kerr: I can't help you very much.

Jim McGovern: The question clearly should be answered.

Q1230 Chair: We will come back to that in a private context.

Ian Kerr: “I didn’t have any direct links” is the quick answer to that.

Q1231 Pamela Nash: I am intrigued as to where that information came from if it wasn’t from the MOD.

Chair: Was this in the days of the Economic League or in the days of the Consulting Association?

Ian Kerr: We are talking about the Consulting Association, as far as I understand.

Q1232 Iain McKenzie: Mr Kerr, you alluded earlier, briefly, to your engagement level with subscribers’ management. You said that HR management was your point of contact. Would that just be managers or would that be HR directors?

Ian Kerr: It would vary from company to company. It would have been either/or.

Q1233 Iain McKenzie: Do you recall any of those managers or directors by name that you had business with?

Ian Kerr: Yes.

Q1234 Iain McKenzie: Can you give us a few?

Ian Kerr: I can’t be sure that I could give you their right titles. In 1996 Tony Jennings was the main contact. He was the group HR manager for John Laing. At Tarmac the main contact there was John Ball. He was the group HR manager. My wife said to give you more recent ones. At Sir Robert McAlpine, David Cochrane was the general HR manager. I think he was at board level. At Vinci it was Alan Audley, who was an HR adviser, because he was of retirement age in recent times.

Q1235 Iain McKenzie: Did you ever meet any of these people face to face?

Ian Kerr: These were the people who would come to our general HR meetings. They would be the people who were invited, and by and large, they came. One way or another, you would see them at a meeting. Out of four every year, you would see them at one, two or three.

Q1236 Iain McKenzie: Can you continue with your list? Are there any more names like that?

Ian Kerr: I can’t give you any more. From Balfour Kilpatrick we would see either Armar Johnston or—I’ve forgotten the other gentleman’s name. Armar Johnston moved on to do some group stuff in London on Crossrail, the Olympic sites and things like that. The name of his successor escapes me. It will come to me.

Q1237 Iain McKenzie: When they moved on, did you still have dealings with them as they moved companies?

Ian Kerr: Yes.

Q1238 Iain McKenzie: They kept their association with you as they moved companies as well. They kept their association with you as they progressed on to another company.

Ian Kerr: It often happened that way, yes, because if they were still in the same company, then possibly it was the case.

Q1239 Iain McKenzie: Would you say that that was something they took to the company, or the company had asked them to continue?

Ian Kerr: It is a bit like the way the industry works—that it is a networking industry. That would be a reason why people would keep their contacts.

Q1240 Chair: It may be helpful, rather than drying to dredge up individual names just now unless you have some other ones there, if you gave us a complete list for the various subscriber companies of who the contacts were for each of them. Let us just be clear about this. My understanding is that it would be the same contact who would get in touch with you about names and would receive the answers back as would supply you with information to put on to the files.

Ian Kerr: That is right.

Q1241 Chair: These were not, as it were, a variety of points of contact. It was generally a single point of contact.

Ian Kerr: One single point.

Q1242 Chair: It might change over time as people moved on, or if it was a particularly large company with different divisions, there might be different people dealing with it from the different arms, but in principle, there was a named individual per unit.

Ian Kerr: That is correct.

Chair: Thank you. That is helpful.

Ian Kerr: Can I just clarify that you are going to let me have a list of these things that you would like?

Chair: Yes. Iain, has that covered the points?

Iain McKenzie: Yes.

Q1243 Jim McGovern: It is the Committee's understanding from information we have received that there were quarterly board meetings. Is that true?

Ian Kerr: There were three meetings. We started off with four and then trimmed them down to two, because once the Association got established we seemed to be wasting people's time in coming to more than two. This is the finance committee that we are talking about.

Q1244 Jim McGovern: I've no idea. Our information was board meetings.

Ian Kerr: This is the finance meeting as opposed to IR meetings.

Q1245 Jim McGovern: Board meetings.

Ian Kerr: Well, board meetings. That is your term.

Q1246 Jim McGovern: No, it's the information we have received. It is not my interpretation.

Ian Kerr: We had meetings of the finance committee; we didn't call it a board meeting. The finance committee met in October and February each year. That would allow us to see how the income was coming in from the quarterly usage, because the budget for the year was on an assumption that certain companies would be doing a certain amount of work on certain contracts. The financial year was from April to March, so October was a half-yearly review, if you like, of how things were going. Were we on course, did we need to put the subscription charge up, as an emergency measure, or did we need to put the usage rate up? We would make a decision one way or the other, or the finance committee would make a decision. I attended the finance committee as the chief officer.

Come February, we would be in a fairly good position to know how that year had gone according to the prediction for it at the start of the year. Then it would be decided by the finance committee what the rates were going to be at the start of the next year. We then had an annual general meeting very early in April to which everybody was invited. It was for them to talk about anything that they were unhappy about, whether it was subscription rates or the proposed charges that were going to be levied for the year, and I would give a directors' report. It was called a report, but it was the chief officer's report. Anybody could have a say about anything. It tended to degenerate into one of our normal IR meetings, because construction people, being what they are, certainly can talk.

Q1247 Jim McGovern: On behalf of the Committee, I would concede that "board meeting" was not the right terminology. You are saying that it was a finance committee and it did not meet quarterly, but it met twice per year in October and February. Have I got that correct, for the record?

Ian Kerr: October and February; yes.

Q1248 Jim McGovern: Who attended?

Ian Kerr: Who attended? The current chairman, the current vice chairman—

Q1249 Jim McGovern: Yes, but their names.

Ian Kerr: In the last year we were in business, the chairman was David Cochrane of Sir Robert McAlpine. The vice chairman was Alan Audley of Vinci. We tended to get the previous chairmen along quite often because it would give quite a bit of continuity. In this instance, I can't recall who it would have been offhand. We would invite any member of the Association—the main contacts—to attend also, so they could be there as well if they wished.

Q1250 Chair: Jim, I wonder if I could come in on this point relating to the committee structure. One of the things that the Information Commissioner did have was a list of 22 names of people who were related to what seemed to be structures. There seemed to be an O, a W, an R and an FM committee, and there were various numbers who were on different committees. What were the committees O, W, R and FM?

Ian Kerr: That was to do with the mailings. It was an easy way. We sent mailings out for general IR matters. We sent mailings out for environmental matters. We sent a mailing out at one time for M&E issues and then rolled it into the general stuff because it was all the same. We also sent one out for facilities management issues because that was a growth area for construction companies over the last 10 or 15 years. That was a list of who received information on each of the lists. For instance, rather than send somebody four envelopes—

Q1251 Chair: I am sorry. I had misunderstood that. I thought it was relating directly to Jim's point, which was about committee meetings.

Ian Kerr: No.

Q1252 Chair: I am sorry. It was a mailing list.

Ian Kerr: It wasn't comprehensive because I have seen a copy of that recently which we found in a file.

Chair: I am sorry, Jim. I thought I was covering your point.

Q1253 Jim McGovern: That's okay, Chair. Mr Kerr, you have tried, as best you can using your memory, to tell us who attended the meetings. Have we exhausted that?

Ian Kerr: I think so. We are talking about the finance and the annual meeting.

Q1254 Jim McGovern: There was no such thing as a board meeting.

Ian Kerr: No. The names would be on the files.

Q1255 Jim McGovern: One of my follow-up questions will come on to that, but where did the meetings take place?

Ian Kerr: The finance committee meetings and the annual meetings took place in the offices at Bernard Street of Sir Robert McAlpine Limited. They happened to let us have it there because it was central.

Q1256 Jim McGovern: Minutes were kept. If so, are they available for this Committee? Are minutes available of those meetings?

Ian Kerr: No, unfortunately not. I certainly kept minutes. I kept them for years, which was part of what was in the filing cabinets that we had. They were just got rid of. I kept all the other meeting files in case I needed to refer back into them for something for years as well. Again, that filled up the filing cabinets.

Q1257 Jim McGovern: Was it a part of your remit or a part of your post to take the minutes? Did you take the minutes of the meetings?

Ian Kerr: I did; yes.

Q1258 Jim McGovern: No one else did that.

Ian Kerr: No.

Q1259 Jim McGovern: So you took them, kept them and they are now gone.

Ian Kerr: I kept them. If there were any action notes that arose from them, I dealt with them and then stuck them in the file.

Q1260 Jim McGovern: You stuck them in the file.

Ian Kerr: I put them in the file.

Q1261 Jim McGovern: Did you say the fire or the file?

Ian Kerr: The file. What did you think I said?

Mrs Kerr: Fire.

Ian Kerr: Fire? Eventually. Eventually they went into the fire. We did send a minute out to all the main contacts. They did receive a summary of what the outcome of those meetings was, which is why I took notes.

Q1262 Jim McGovern: I think you will have to excuse our Scottish accents. I don't know if you have a bit of difficulty in understanding the Scottish accent, hence the reason why we seem to keep repeating ourselves. Did trade union officials ever attend any of these meetings?

Ian Kerr: No. Some officials had been trade union officers. They had jumped across the line, if you like, in the past.

Q1263 Jim McGovern: So trade union officials who had perhaps retired attended the meetings.

Ian Kerr: Yes, or who had been poached into an IR or HR position in a company. They were very few and far between, but it was a thing that happened in the industry. That is the only thing I can say that links to that.

Q1264 Jim McGovern: Did you or the organisation ever liaise with serving trade union officials rather than retired trade union officials?

Ian Kerr: Did I ever liaise with?

Jim McGovern: Did you or the organisation ever liaise or have contact with serving trade union officials?

Ian Kerr: I didn't personally. It was part and parcel of the main contact role to foster good relations and to know who the union official was or the officials were for a specific site. That was normal procedure, because the way to resolve any issue, dispute or problem that was raised by a union official from his members was to bring it to the attention of the HR manager from the employers' side and use the negotiating machinery that was in place to resolve it.

Q1265 Jim McGovern: If your organisation's subscribers were getting information from trade union officials, that was only via disputes and the usual channels. It was not behind closed-doors meetings or anything like that.

Ian Kerr: No. They would sometimes talk among themselves. I can sympathise with the union officials in that they represent their members, and at the same time their role is to ensure that everything goes right for all of the members, the majority of whom wanted to go to work, earn a wage and go home to feed their family and all the rest of it. One or two people chose to disrupt a site. The poor union official had to resolve the two sides. Sometimes he didn't want an unnecessary problem, nor did his union often, of an outbreak on a site of unofficially generated action. It was in the interests of the HR manager to know who he should speak to in a particular union to try and resolve such an issue without it costing the company time and money in delays. They had quite good relations themselves between each other.

Q1266 Jim McGovern: Finally, did your organisation have any dealings with politicians?

Ian Kerr: No.

Q1267 Jim McGovern: Never.

Ian Kerr: Never.

Q1268 Jim McGovern: That is quite unequivocal.

Ian Kerr: Absolutely.

Q1269 Chair: Could I just come back to the question of trade unions? More than one of the cards I saw had, "EETPU says no." That would tend to indicate that the EETPU had said no to somebody, and if that was on the card and you then read that out to an employer, it would tend to indicate what the EETPU's view was on that particular employee.

Ian Kerr: It would have done, yes. You can probably tell me because you have seen these cards recently, Mr Davidson. I have a feeling that those cards hardly ever came back up through the system, but I may be wrong.

Q1270 Chair: I was sworn to secrecy as a condition of seeing them from the Information Commissioner, quite understandably. I was allowed to take notes of things that were on cards but not to relate it to any of the names. Therefore, I have no way of knowing whether or not these things came back regularly, because there was nothing in the files that I can recall that would lead me to believe that they either did or didn't. The "EETPU says no" would seem to suggest that there had been some input from a trade union.

Ian Kerr: Yes; I agree with you. That would have been the case. It would have been a particular relationship with an HR manager in a particular area and that regional officer of the union or the union. I don't know how you want to phrase it, but somewhere along the line that would have been discussed and somebody would have decided that that was information that we should have in our system. Could I just say that the EETPU is a union that has long been rolled into or joined with the AEU to form the AEEU, which later became Amicus and then Unite?

Q1271 Chair: But this was still on people's files though.

Ian Kerr: It is going back a long, long way.

Q1272 Chair: It was still on somebody's file, and it comes back to Alan's point that you simply read out what is on the file. As I understand it, you don't read out, as it were, the last entry, but you read out the file.

Ian Kerr: The entirety of it.

Q1273 Chair: So "EETPU says no" is not an encouragement to employ, is it? That is the union, essentially, putting the kibosh on somebody's chance of employment.

Ian Kerr: Yes. It depends what came after. I go back to my much earlier point that had there been several inquiries afterwards, it may have shed much more light on the individual.

Q1274 Chair: On the question of the unions, there do seem to be a number of references to people's union membership. I am just looking for them now. There was certainly, "Known to associate with", and then it referred to somebody from a trade union. Then there was also, "Thought to be EPIU." I am looking for the other name, which is the breakaway from the EEPTU, but the initials escape me. It was the EPIU rather than AUEW. Would that have come from a trade union official of a trade union?

Ian Kerr: Probable. I can't be certain, but I can give you a case that would make sense.

Q1275 Chair: I am trying to remember with whom it was that I had the conversation, but when items were entered they usually had a code beside them and initials to indicate who had put that in. So if you knew the code you would know who had put that in.

Ian Kerr: Yes, if you had the initials, yes. Do you want me to say anything about the EPIU?

Chair: Yes, please.

Ian Kerr: Very briefly, within the EETPU at the time, or what it became—it was at a time when it was fairly moderate—there were a grouping of people within it who felt that it was too moderate and they formed this Electrical Plumbing Industries Union, it called itself. Some of these people were in that and they were also in the main union. It sought to try and change the decisions that were made between the union and the employers' negotiating machinery, which decided the conditions for the next three years, which formed the agreement the industry stuck to. Its problem, as I see it, was that it was never a recognised union in the sense of how unions are seen. Anybody—a few people—can say they are a union, but in the terminology of the industry's unions, it was not a union that was recognised. Therefore, it had no official platform on which to raise its grievances; so it was a thorn in the side of the union. You can think of it as an equivalent to the Militant Tendency in the Labour party when Neil Kinnock threw them out. After the changing of the unions, it finally got itself taken into the Transport & General union as a wing, and then the T&G with Amicus became

Unite. So it has, at long last, achieved the ambition of having a voice within the union structure.

Q1276 Chair: Presumably, reference to somebody as being in the EPIU was likely to act against them when they were seeking employment, because if they were name-checked then they would be marked, presumably, as a troublemaker. It is fair to say that on the sheets that I saw “troublemaker” appeared on a whole number of occasions that somebody had put in. That would probably be sufficient to make sure that they did not get employed. Is that reasonable?

Ian Kerr: You would have to ask the main contacts that I gave that information to for the true answer to that.

Q1277 Chair: If I recall correctly, you have said to us that you would read out the material to firms and they would then make their decision. I thought there was feedback that they would tell you what they had actually done. Am I right in thinking that in the overwhelming number, if not the totality, of cases with the EPIU, the situation was that the firms would tell you, “If they are EPIU, we’ll not take them on”, or words to that effect? Is that fair?

Ian Kerr: Again, it depends on the companies’ attitudes. I can remember it being said to me at one point, “Of course these people were hedging their bets.” They were in both unions, which would suggest not that much commitment, in some cases.

Q1278 Chair: Listen, we are in politics. We understand about hedging your bets. In these circumstances, would employers take the view that somebody who was listed as EPIU was somebody who was hedging their bets, or are they not more likely to say, “That is a potential difficulty. We’ll not take them on”?

Ian Kerr: The question of the EPIU didn’t crop up in an awful lot of cases, I don’t think. It would relate to what the problem was. For instance, the Pfizer Sandwich dispute, which involved quite a few people who were involved in an unofficial strike there, was to do with walking out on a Friday afternoon, or to do with wet time and not working in the wet, and the union at the time—I think it was Amicus—refused to back the strike. They repudiated the strike. The view of the main contact and the deputy contact at the time was that these people who were the ringleaders in that and some of the believed followers were motivated or fired up through the EPIU. As time went on, people thought, “Well, that’s going back a bit. We are not so bothered about that.” Others thought, “That’s it. That’s that. We still don’t want them.” But there wasn’t a lot of EPIU stuff swilling about, from memory.

Q1279 Chair: I understand the gist of that. Can I just come back to Jim’s point about the dealings with politicians, Members of Parliament and so on, where you were quite specific that you, personally, had not had any meetings with MPs or politicians? Does that apply to the organisation—the Consulting Association—when their officers were, for example, chairing meetings on behalf of the Consulting Association with Members of Parliament and politicians?

Jim McGovern: If I could interrupt, I think that was the question I put. Were you personally or your organisation ever involved in dealings with politicians? You said quite unequivocally, no. I think the record will show that.

Ian Kerr: To take Mr Davidson’s point, it would clearly be in the interests of construction companies, at some level or another, to court politicians.

Q1280 Chair: I understand that. People lobby us all the time about wanting something to proceed; I understand that. I want to be clear about this, because we have had information to the contrary that would suggest that officers of the Consulting Association had actually had meetings with MPs. By “officers”, I had assumed that it would be full-time staff, but I accept that it might have been appointed or elected people. If you are saying to us that not to the best of your knowledge, then obviously we accept that.

Ian Kerr: I can say, categorically, from my point of view, which I think you are asking, that I have had no contact with any politicians at all, ever.

Q1281 Chair: Until now.

Ian Kerr: There was no purpose. I couldn’t see what purpose would be served if we did, with due respect.

Q1282 Jim McGovern: You also said that your organisation had no contact.

Ian Kerr: The only way I can answer that is to say that no, the organisation didn’t, but what members of the organisation did is another matter entirely, for all sorts of reasons.

Chair: We are all in groups where the group might meet people and so on; I understand that.

Q1283 Pamela Nash: Mr Kerr, the Committee has seen evidence that suggests that information was taken from you from Sheila Knight, so this is a very specific case—with information about the Jubilee line. At the time Sheila Knight was an employee of EMCOR, but she was also a former employee of ACAS. Was any of the information that she gave you from her time at ACAS and did you speak to anyone else at any point from ACAS?

Ian Kerr: No. I knew that she came from ACAS because I met her when she was at EMCOR, when there had been some changes in the company. I knew of her previous history because people make it their business to know where people in the industry came from. It was a normal procedure. She worked for ACAS. I had no information to do with ACAS from her at all.

Q1284 Pamela Nash: Did you ever receive information from anyone as a result of their employment at ACAS?

Ian Kerr: No.

Q1285 Chair: I want to come back to the membership of the Consulting Association. When you closed in 2009 you listed 44 construction companies that had used its services. Was that the total over the whole period of the Consulting Association, or was there a large number in and out—or in particular out—during your life?

Ian Kerr: It was the totality. Companies came, merged, and went out of business even.

Q1286 Chair: We have also had claims from Carillion that they had stopped using the Consulting Association’s services in 2004. If so, why were they still receiving invoices in 2009? Can you cast any light on that?

Ian Kerr: I have tried to get my head round this because I listened carefully to Mr Wainwright’s evidence and read the transcript. On the latter point, the invoice they received was for one of their security advisers who attended what we call the Woodstock group, which dealt with environmental/security matters, as they then became. That is why they would have received an invoice. That is one reason for certain.

Q1287 Chair: It might be that on this matter we will come back to you. I can't recall what the pattern of invoices from Carillion was from memory.

Ian Kerr: To be honest, I can't either. My wife says she can. Would you like to hear from her?

Q1288 Chair: No. We had better have you speaking, I am afraid.

Ian Kerr: My wife tells me that the last entry was in 2003-2004 for Carillion's membership fees, and they ceased membership in April 2004. Liz Keates, who was the main contact there, continued to receive the mail-outs that we were putting out—the posters. I think that somewhere along the line Crown House, which was part of Carillion, continued. I am not sure whether a subscription wasn't paid through Crown House for their specific use of the service when they were part of Carillion. As you know, Crown House later became part of Laing O'Rourke. I've got to say that I have tried to think this through, having heard previous evidence on this, and I cannot, in all honesty, be certain.

Q1289 Chair: We will maybe come back to you on that. In relation to the number of individual names on the Consulting Association's database, we have the 3,200 and a bit figures, and it is all those who are on the cards and in the ring binders, wasn't it? There was nothing else.

Ian Kerr: The ring binders being?

Chair: The ring binder that had all the names typed inside and the cards.

Ian Kerr: Yes.

Q1290 Chair: There were some names that were in the ring binder for whom I couldn't find cards when I was there.

Ian Kerr: I see. Yes, I'm sorry.

Q1291 Chair: The two of these combined was the totality. Is that correct?

Ian Kerr: That was the totality; yes.

Q1292 Chair: I accept that there is a degree of duplication, but I just wanted to be clear that there was nothing else at all.

Ian Kerr: That is right. The only thing that was not there for the ICO's people to take was the stuff which was to do with environmental activists, which happened to be held in a different cabinet because of the space, and it rarely came into being. As we have said, they weren't construction workers.

Q1293 Chair: I see. I hadn't realised that. How many people were on the environmental activists' file?

Ian Kerr: A hundred or so.

Q1294 Chair: Hundreds?

Ian Kerr: A hundred; 50 perhaps. It might have been more. I am trying to visualise it; 200, perhaps.

Q1295 Chair: So 200 or so.

Ian Kerr: It wasn't a large, large number.

Q1296 Chair: I understand that. Were there any other sub-groups of files or lists of people that were not construction or environmental?

Ian Kerr: No. Environmental included animal activists.

Chair: That is what I meant.

Ian Kerr: It is that whole range.

Chair: I am sorry if I was loose with my language.

Ian Kerr: You are well aware of the animal activists' problems in allowing certain sites to be built on, I'm sure.

Q1297 Chair: Some of my colleagues have touched on this matter, but I want to be absolutely clear about how material got on to the cards that the Consulting Association had. As I understand it, you inherited material from the Economic League. Is that correct?

Ian Kerr: Yes, that's correct.

Q1298 Chair: When the Consulting Association was being set up, somebody went in and physically lifted the cards and took them over.

Ian Kerr: Yes.

Q1299 Chair: Then all the other cards were just left behind. Is that correct?

Ian Kerr: No, not quite. At the time that the Consulting Association was being thought about, set up and considered, I was charged with finding officers, putting phone lines in and all that at this point. At that point, the construction names and cards were moved into the Birmingham offices of the Economic League, which is where I was based when I was with the company. The rest of the stuff, to the best of my memory, was still kept in London, or whatever else the League dealt with, be it cards or references. It was my job to go and take those to bring them across once the new offices had been set up, which was the old construction stuff that the companies which were then called the Services Group were party to and helped to generate, I suppose, in principle.

Q1300 Chair: That provided, as it were, the core of the reference cards.

Ian Kerr: I think the blue related to that. That is what that blue covering was. It was original information.

Q1301 Chair: Blue is the original Economic League stuff. That is helpful. Then there was the additional information coming in, which you have said was solely from your member companies feeding things in, and for each entry there should be a reference number indicating which company it came from and the initials of the contributing official.

Ian Kerr: Yes, with a note saying "Information to or from MC (initials)", "MC" being main contact.

Chair: I think I understand that.

Ian Kerr: The stuff that we had from the League was outside my control as the chief officer of the Consulting Association, so how they generated it, sourced it and annotated it is entirely another matter.

Q1302 Chair: You had been a senior officer of the Economic League, so you must have had some idea where some of that had come from.

Ian Kerr: It came from the construction company members.

Q1303 Chair: I am sorry. I thought you were drawing a fine distinction there. It came pretty much from the same mechanism as the subsequent material came.

Ian Kerr: Yes. It was just how it was managed.

Q1304 Chair: Did you have any process of checking whether or not the information you had was accurate? In particular, some of it, again, in the files seemed to me to be a bit of tittle-tattle. How appropriate was it to have tittle-tattle in the files?

Ian Kerr: It was what came from the main contacts.

Q1305 Chair: I am trying to remember, and again excuse me if I don't remember it all; I had to take my own jottings, so let me see if I can find it. There was a point about somebody cohabiting with a councillor. That might very well be of interest down the pub on a Saturday, but I'm not sure necessarily it ought to be in somebody's file and presumably then read over to other potential employers.

Ian Kerr: It depends, really. I might have not bothered, because I tend to agree with you on that, but it was information that was given to me, and I had an undertaking to record what I was given.

Q1306 Chair: One of the things I read as well was "Possibly half brothers". The fact that somebody is possibly a half brother of somebody else doesn't seem to me to be particularly relevant as to whether or not they should be given employment.

Ian Kerr: Yes. Taken as you have said it, yes. Putting it into whatever the context was, it may have given a different story. I don't know; I am just saying that.

Q1307 Chair: There was also a reference that referred to "Somebody above not recommended by Amicus." Again, it would seem to be pretty clear that that had come from Amicus, wouldn't it?

Ian Kerr: Yes.

Q1308 Chair: "Somebody from Edinburgh. A political troublemaker". The fact that somebody is a political troublemaker doesn't necessarily make them an industrial troublemaker, does it?

Ian Kerr: Yes.

Q1309 Jim McGovern: It does?

Ian Kerr: Yes, it could.

Q1310 Chair: It could?

Ian Kerr: It is not an either/or, is it?

Q1311 Chair: No. That is a fair point. Is it legitimate for somebody who had stood for election to the Scottish Parliament to be in the files? He was described as "Stood as candidate for the Scottish Parliament."

Ian Kerr: I would say to you there that I am certain that that wasn't the reason he was in the system—that he or she stood for election to the Scottish Parliament. There would be something else, surely.

Q1312 Chair: One of them put down—I can think of applying this to a whole number of my colleagues—"Is an obnoxious hard case."

Ian Kerr: I think I know who you are talking about.

Jim McGovern: Are you being critical?

Ian Kerr: I think I recognise him, and there was quite a lot more behind that.

Q1313 Lindsay Roy: Did you not say that you read out just what was on the cards?

Ian Kerr: I am sorry.

Q1314 Lindsay Roy: Did you not say that you read out just what was on the cards? You didn't elaborate.

Ian Kerr: Yes. I didn't embellish. I didn't put emphasis on certain things. I didn't interpret. You could have dialled the office like the speaking clock, in a sense.

Q1315 Chair: Also, "A bit of a sheep" was on somebody's card. One record card for somebody had, "1986. Letter to the *Crawley Observer*". To have that down on somebody's record—I have never read the *Crawley Observer* and I don't know if that is code for something else—does not seem suitable to have somebody's employment possibly threatened for having written to the *Crawley Observer*, no matter what it was that they wrote about.

Ian Kerr: I am sure that that would have been in addition to certain other things. It wouldn't have been just that.

Chair: I think it was.

Q1316 Jim McGovern: Probably the most ridiculous example that I have heard was a man whose name was Syd Scroggie from Dundee—he passed away some years ago—who was an injured war veteran. He had one leg, he was completely blind and he had written a letter to the local press commending Dundee city council on the fact that they awarded the freedom of the city to Nelson Mandela, and he ended up on this list.

Ian Kerr: I can't comment because it doesn't mean a thing to me. I suspect that is inherited information from the EL.

Q1317 Chair: Somebody had "May Day Greetings" in the *Morning Star*, and that was on their file as well. Sending May Day greetings to the *Morning Star* might seem bizarre, but it is within the parameters, I would have thought, of acceptable behaviour.

Ian Kerr: I don't think we would have been wasting our time on the trivia of just putting that down. I am sure there would have been other stuff.

Chair: That's right; there were other things, absolutely. I just picked out the most egregious examples.

Ian Kerr: It added a bit to the picture, I suppose you would say.

Q1318 Chair: "Seen driving a white Ford Transit van", giving the registration number, and then, which I think is particularly serious stuff, "Registered to", and it gives the registered owner's name, "of the same address." Somebody must have gone off and clarified to whom that vehicle was registered. That does seem to me to be requiring the assistance of the formal authorities to have had that information.

Ian Kerr: Yes. I don't know, but it's possible, isn't it? It is possible that somebody filmed him with a security camera round the site. There are several answers to that.

Q1319 Chair: I know, but all of them are worrying, really, aren't they? This comes back to the question of the blacklisting, doesn't it, and whether or not it is fair or reasonable? I was surprised, in a sense, to find in the file that there were some elements that I hadn't quite anticipated, because I thought that this was entirely industrial relations and politically related. There were some things about people being dismissed for theft off the site and people being dismissed for misbehaviour and so on. I can understand some of that, but some of these other things do seem to be quite over the top. The fact that somebody has got a reference saying, "They are thought to be cohabiting with a female councillor", and, "They are thought to be in a relationship with a particular lawyer", does not seem to me to be entirely reasonable stuff to

have in somebody's employment references. How would you respond to these things? Do you think that that is justifiable?

Ian Kerr: No. On balance, I think you are right. It does, at the end of the day, depend on the context in which that is said. But as you have described or said all that, then I can't but agree with you—

Q1320 Chair: I could have understood this if you hadn't also combed the files to some extent. We discussed earlier on about how the files were renewed. I would have thought that some of that material ought to have been taken out at some stage. One of the comments related to a meeting in 1981, which says, "See the SWP file report (Manchester)." That would tend to imply that there was an SWP file about a particular meeting in Manchester in 1981. People can change their views quite considerably over along period.

Ian Kerr: Absolutely.

Q1321 Chair: I would have thought it would not have been unreasonable for things like that to have been combed out.

Ian Kerr: I think you are right. The cutting of the stuff, I have got to admit, wasn't a high priority. We did it on a rolling basis. In trying to answer Mr Reeve's question about whether we chose to give information to certain companies about certain events—no, I am sorry; it wasn't that. It was the question of the age of the information. The only way I would possibly try to influence somebody would be to say, "This was in 1981", or they would be well aware of that and make their own conclusions from it. It would possibly influence—possibly influence—their employment decision.

Q1322 Chair: That question of the SWP meeting does lead me on to another point that Iain wanted to raise, but unfortunately, he has had to go off to another meeting, about whether or not the Consulting Association ever sent people along to what could be described as "infiltrate" or "listen in" on meetings that were taking place outside your building.

Ian Kerr: No.

Q1323 Chair: Did you ever do that when you were working for the Economic League?

Ian Kerr: Yes, I did. The League had a very much pro-free enterprise stance. Companies were members, and part of their membership, by and large, wished to be told. Remember that this is going back to the 1980s, when there was a reasonable body of organisations that were, in one shape or another, Trotskyist or Maoist who were anti-capitalism, and at a time when industrial relations legislation and law was much more relaxed than it is now. Companies were interested to know what was being planned and thought about as tactics to try and bring a company to its knees to demand more money or whatever their aims and objectives were.

A lot of these were held as public meetings in public places. I worked from the Birmingham office. They would hold them in Birmingham town hall, in the Digbeth Institute, which is a well-known meeting place in Birmingham, in upstairs rooms of pubs, and I would just go along and take notes. The briefing I would be given was to note who was speaking, who was he representing, how many were there, and what were the general points, ideas and themes that were being discussed. Then I would go back and make a brief summary. That sort of information would find its way into files, possibly, but equally into publications by the League that were put out publicly to newspapers in their attempt to get this particular view across to counter the anti-capitalist message, which was quite strong at the time.

Q1324 Chair: Do I take it, then, that what somebody was saying in what was a public political meeting could have ended up on a record card, which then resulted in them not being employed, irrespective of their skills or anything else, just because somebody had political views of an unfashionable sort?

Ian Kerr: Yes. If you take certain people—I am generalising, in general terms—if they got into a company, then all hell could break loose if they were good and skilled in putting across certain anti-capitalist views.

Q1325 Chair: I can see that, but did it never occur to you that some of these people who had, maybe, Trotskyist views might not have been particularly skilled agitators but needed a job as an electrician, a bricklayer or something similar?

Ian Kerr: There was always that, but at the end of the day I wasn't making a decision. I was not a very highly ranking officer or person in the Economic League and I did a job, which was in addition to running a lot of training courses, which was the pro-positive side.

Q1326 Chair: I understand the propaganda wing, as it were, of your argument. I get that; I see that. It is just that, effectively, you were going along to meetings, taking notes on who was saying what, and your report could very well result in them becoming unemployable. Does that not seem an accurate representation?

Ian Kerr: Most of the people who spoke at these meetings were well-known people in sectors of these groupings. They were well known. What you were doing, really, was countering what was going to be put in the *Socialist Worker*, the *Morning Star*, the *Militant Tendency* newspaper and all the rest of it. It was putting out a balanced view.

Q1327 Chair: I understand that. I understand entirely the point about putting out a balanced view and wanting to combat that. I spent years opposing Trotskyists, particularly Militant, in the Labour party's youth movement and elsewhere. I understand the question of putting out political alternatives, but what I am saying to you is the point about putting their names on cards which then could result in them becoming, effectively, unemployable, which does seem to me to be a different kettle of fish altogether. It is entirely different from the question of propaganda and the battle of ideas.

Ian Kerr: About putting the report in, I didn't have a hand in how this information was processed.

Q1328 Chair: You went along, got the names and stuff, fed it in and somebody else would decide whether or not the names were put on a list that employers would then access.

Ian Kerr: Yes.

Q1329 Chair: That is clear enough. Can I come back to the question of the authorities? Accepting that some of these people or their meetings were, perhaps, seen at the time to be dangerous and so on and so forth, was there not a certain degree of overlap between yourselves, special branch and the police, because the police would have a responsibility to monitor what were then seen as extremist organisations? Rather than having two people doing the same thing, it would make sense to have a degree of information sharing. I find it difficult to believe that there wasn't some degree of transmission of information between you.

Ian Kerr: What period of time are we talking about?

Chair: Particularly going back to the Economic League times.

Ian Kerr: Yes. I think there were meetings between League people further up than me and various police departments—I think. By the nature of them, they were not publicised.

Q1330 Chair: At which presumably information was shared and individuals were identified and so on.

Ian Kerr: Yes. If you share the information up, that would have been part of it, yes, if it was known. It would also be as much to do with the tactics—who was doing what, what groups were planning what. I am sure you can recall that this was at a time when there was a much freer rein and ability of these groupings to get around the place and do things. They were not so tightly controlled as any demonstration or protest is today.

Q1331 Chair: I understand why all of that was done. My anxiety is that the youthful errors of somebody who might have been a Maoist or a Trotskyist in their teens would then be on the file—potentially still—and if it had never been cleaned off, then they potentially would never have the chance to get into gainful employment, establish a home and get the stability that usually corrects juvenile delinquencies like Trotskyism.

Ian Kerr: I do recall that there was a feeling and a sympathy for people whose indiscretions of youth were taken into account.

Q1332 Jim McGovern: On that point, information sharing suggests to me certainly that it was a two-way street. If the Economic League was given police information on certain individuals because they went on demonstrations or attended certain meetings, what information were the police giving to the Economic League?

Ian Kerr: As good or as developed as the League was giving to them. The meetings would have been to review things around a particular topic. I don't know, truly, but common sense tells me that they would be for—

Q1333 Jim McGovern: Do you agree that it would be a two-way street?

Ian Kerr: Yes.

Q1334 Jim McGovern: The police would be giving the Economic League information and the Economic League would give the police information.

Ian Kerr: Yes.

Q1335 Jim McGovern: But you just don't know or you can't specify what sort of information the police were giving you and the Economic League.

Ian Kerr: No. One way to try and get a way to understand the matter is that the League was in business to monitor all forms of these extremisms—left wing and right wing, and all the various shades of them. The police probably didn't want to spend time on doing it, and if they knew there was an organisation set up specifically to do that, wouldn't want to duplicate the effort. I think that is the best way to look at it. That is my interpretation if you asked the question. It is not that I specifically know that.

Q1336 Jim McGovern: Thanks. It all sounds very, very sinister and evil to me, but thanks for your answer.

Ian Kerr: Very what, sorry?

Jim McGovern: Sinister, evil.

Ian Kerr: The left, as in French.

Q1337 Chair: I would like to come back to the equipment that you had. There was a suggestion that you were computerised and all the rest of it. You have mentioned that a

computer that you had was only used as a word processor. Surely, the computer, though, must have had lots of things saved on it, like, say, agendas, which were standard.

Ian Kerr: Yes.

Q1338 Chair: So you have still got all that.

Ian Kerr: No, no.

Q1339 Chair: So the computer was wrecked as well.

Ian Kerr: We took the hard drive out of the computer and smashed it up.

Q1340 Chair: That seems fairly final, doesn't it?

Ian Kerr: Some of it was saved to a stick and was screwed up and cut in half.

Q1341 Lindsay Roy: Why did you do that?

Ian Kerr: It goes back to the ICO's second meeting, where David Clancy came, my chairman, David Cochrane came, and they served a notice. They told me that I was going to be prosecuted for breaches of the Data Protection Act for operating a database without registering it, effectively, and also that the Consulting Association would be served with a notice either to register as a data controller, in which case we had to let everybody know who was on the list, or go out of business. The chairman made the decision that we would go out of business. He then gave me a form to sign, which was the form that I signed to say that I was the data controller. On reflection, that was wrong. I should not have signed it. I was an employee and it really was not my position to sign that. So all the press stuff that said I was the owner profiteering vast amounts of money is built on shifting sand. It's nonsense.

The reason why we got rid of everything was this. The ICO took the stuff away with them. On the second visit they brought it all back, bagged up, the computer, or in plastic—all the files that they had taken. These sat around while the court case took place and all the other business of winding the League up. Then it dawned on me that I had to do something about this because if I did not, somebody, sooner or later, was going to come round and say, "You're still doing this, aren't you?" So if I could, hand on heart, say that I had destroyed it totally, including the computerised hard drive, the computer, the sticks we had and everything—I can only sit here before you and tell you that that is what happened.

Q1342 Chair: Could I take this opportunity to remind you that you are under oath, because if it turns out at a later stage that any of this material survives or has survived and is under your control, it will be an extremely serious matter? Would you want to reconsider your answer at all?

Ian Kerr: I am sorry, but could you just say that again?

Q1343 Chair: You are under oath.

Ian Kerr: Yes.

Q1344 Chair: You are making quite clear statements to us that all the material has been destroyed. I am saying to you that if it subsequently turns out that that is not the case, then it will be an extremely serious matter. I am wondering if you want the opportunity to reconsider your answer.

Ian Kerr: Because there were several tribunal cases that enjoined me against the companies, I kept out, probably, half a dozen of these cards that came back to me. The reason for that is because I needed, for one, myself, to remember things which were being fired at the

companies, including me, in relation to a particular course of action which was their tribunal case. Other than those, the entirety was destroyed.

Q1345 Chair: Fine. You have had the opportunity to reconsider. I just wanted to be clear. So you have retained—

Ian Kerr: I've not got any—

Q1346 Chair: —six of the cards, is it? Sorry, I just want to be clear. You have retained what—half a dozen of the cards.

Ian Kerr: Thereabouts, yes.

Q1347 Chair: We will maybe discuss with you what they are and whether or not that information is available through the ICO, and if it is, then obviously we are not as concerned, but if it is something different, it may be that we will want to see those before they become more widely available and we will redact the appropriate information and do whatever needs to be done in these circumstances. Can I just come back to the question of minutes?

Ian Kerr: There is one thing I can add to the question of this business of lists, which is to say that a year last summer I received a letter from the ICO saying that it had come to their attention that the activities of the listing and referencing of people was still being undertaken. They reminded me of the piece of paper that I had signed and my obligations under it. They wanted an assurance, if I was able to give it, that whatever may or may not be taking place was to do with me, or words to that effect. I have got that letter actually somewhere. I phoned back to speak to David Clancy. He was on holiday. He then phoned me from being on holiday. I sent him a response to the letter, which was signed by him, I think. I can tell you, quite categorically, no. What I have said to you is that we burnt the whole damned lot, everything. His reply to me was, "That's what I thought you'd say. I thought that was the case. I thought you'd say that. I expected you to say that"—not cynically. He asked if I wanted a letter to that effect to confirm that that was his view. In the mists of time he didn't send the letter because he was on holiday. So he probably forgot. That's the only bit—

Q1348 Chair: Fine. It was entirely reasonable for them to have pursued the possibility, because they might have been negligent had they not done so.

Ian Kerr: Yes, and that brings me back to a couple of reasons why I got rid of it in totality. As sure as eggs are eggs, I am sure that somebody was going to be thinking, "Well, has he? Has he got rid of it?"

Q1349 Chair: Again, we will seek clarification of exactly what is there and so on through the clerk's department. Can I just clarify one other related point? In your written evidence, you say, "I now believe I was the wrong person to prosecute." Who do you believe should have been prosecuted?

Ian Kerr: It should have been the members of the Consulting Association, of which I was their employee. The current chairman would have been the person at the head, who would be the obvious person to be pointed at, I think.

Q1350 Chair: Have you ever raised this view with the Information Commissioner subsequently?

Ian Kerr: No, I haven't.

Q1351 Chair: Is this the first time that view of yours has been made public?

Ian Kerr: Yes. I do say here somewhere that this is the first time that I have spoken in public. The reason is the bad experience with a journalist very early on where I was partially reported. The report had been written by him already, and what I said was to back up what he was going to say anyway. Therefore, I have kept my powder dry. I haven't said a word to anybody for the simple reason that once I opened my mouth and spoke to whoever it might be, it would have started a dialogue running. Therefore, in a lot of ways, I welcome the opportunity to be here to put things straight.

Q1352 Chair: We very much wanted to give you the opportunity to express your views on these matters. Since we are touching on the report, can I just clarify whether or not this was entirely drawn up by yourself alone or whether or not you have had professional advice or support from the Consulting Association, any of the representatives or anyone external? You can understand why we ask.

Ian Kerr: No, that is mine. It was drawn from a piece I had written to present to a tribunal case to show my point. My evidence partially came from that. It came from some other notes, which was a piece I had written. I have been approached by a journalist from a competent newspaper that I would trust, who said that they wished to put a balanced article together. It hasn't been done. It has certainly not been pursued. I did write a piece that, putting the two together, resulted in that. I tried to keep that as brief as possible.

Q1353 Chair: That is fine. Can I seek clarification about whether or not you have been approached by any of the officers or firms involved with the Consulting Association about the fact that you are giving evidence here today and had it suggested to you about any particular points you should be making?

Ian Kerr: No, I haven't. My contact with the Consulting Association is that they, effectively, turned their backs and cut me adrift, barring the chairman's company and the vice chairman's company in the early days. I've had no contact with any of the main contacts. A couple have phoned me up asking for the constitution, which they hadn't got, which they felt they needed in the early days, but we had some very nasty letters from their company solicitors asking us to desist from threatening to ask them for money to help us with the winding up, and threatening to counter-sue for whatever the legalistic nonsense was or their argument was.

Chair: It did strike us that perhaps you had been hung out to dry somewhat, since you seem to be the only person either being prosecuted or who had any action or opprobrium descending upon your head as a result of all this. That doesn't necessarily seem to us to be entirely fair and reasonable in the circumstances. We can assure you that it will be our intention to speak to some of the companies involved and pursue these matters further.

I wonder if I could turn to the point that Pamela wanted to raise on question 18, if she could.

Q1354 Pamela Nash: In Alan Wainwright's evidence, he told us that some of the companies that were clients of yours also had their own internal databases. Is this something that you recognised?

Ian Kerr: Yes. After the Consulting Association had been set up, it was perceived by its committee that a lot of the problems in the industry were within the M&E—mechanical and electrical—sector. I was charged with the role of going round to those companies that were members, talking to their M&E divisions about any details that they held on people who were considered to be proper people and putting those into our database. I went to see him in their Manchester offices and explained what the proposals were. He in fact told me that he had his own information anyway, and I thought that we were not going to get very far.

Q1355 Pamela Nash: Who was that?

Ian Kerr: This is Alan Wainwright. He told me that he had his own information and effectively he wouldn't be needing any help. That was the impression I got. So I went away thinking, well, that's one company's M&E employees who won't be part of this.

Q1356 Pamela Nash: Was that database added to your own database at a later stage?

Ian Kerr: Yes. It was more or less in conversation. He said, "I can do it. I've got my own resources for that." That was when I was talking to him about what we were doing.

Q1357 Pamela Nash: Was that experience replicated with any other clients?

Ian Kerr: No, it wasn't, no. The idea was that we would pool any information that those companies had. If they hadn't got information, we would pool it. Because there were divisions of the major members, we would have a main contact for those who had come to these M&E meetings that we set up to start with, which ran for two or three years only. Mr Wainwright went to Emcor Drake & Scull for three months—later, after he left Tarmac. He telephoned me while he was there to say that he was going to talk to his MD—he had just been appointed HR manager—and recommend to them that they became members of the Consulting Association. He wanted to know the membership costs and what was involved in them being approved for membership. So I explained to him what the costs were. He said he needed to talk to the other members, and if they approved it, then I would give him that information. He undertook to get back to me, having spoken to his MD, and tell me what the decision was from their direction. This was at a time when they had had problems on the Jubilee line or around the time when they were still going on. As he said in his evidence, he subsequently left after three months.

Q1358 Pamela Nash: I have a couple of quick questions on the evidence that you gave to the Chair. In relation to the list of names that was in the ring binders, the Chair mentioned that not all those names had a corresponding reference card. You said that some of those names were due to there being a separate file of environmental activists, which was not seized by the ICO. Would that be the reason for all the names in that file that didn't have reference cards at the ICO, or was there any other reason? Just to be clear, did every single name in that file have a corresponding reference card?

Ian Kerr: It should have done. I have to say that there were one or two, for reasons that we never got to the bottom of, where we had lost the reference somehow, somewhere. Heaven knows how that would have happened because we had a very secure office with an alarm system. It was an administrative and technical error or whatever. By and large, the answer is yes.

Q1359 Pamela Nash: Also, you have referred throughout this session to the main contact and the deputy contact, but I am still not clear on the membership and who these contacts were. Could you tell us how many main contacts were there? Was it someone in each company or was it someone on each site? Could you explain it? Could you make it a bit clearer what the network of main contacts was?

Ian Kerr: You would start from the view that it was one in each company. Some companies had divisions or different arms. Balfour Beatty, for instance, had Balfour Beatty Construction and Balfour Beatty Civil for major projects. There was Balfour Kilpatrick and Balfour Construction.

Q1360 Pamela Nash: Each of them would have one main contact.

Ian Kerr: Each of those would have a main contact. If it was a large company, it was subdivided. Some companies kept it tight and just had one administrator, to keep it easier. They just had one.

Q1361 Pamela Nash: At any particular time, how many main contacts would you have?

Ian Kerr: If you say we averaged 20 companies throughout the life of the Association, some companies might have had two, three or four; so you are talking, perhaps, double that as a list.

Q1362 Pamela Nash: Were those individuals ever paid for information they were passing to the Association?

Ian Kerr: No, no; never.

Q1363 Pamela Nash: Could they have been paid from the company they worked for? Was it part of their job?

Ian Kerr: It was part of their job. It was part of what was an agreed procedure. It was what all the companies who were members agreed to. We had a constitution. It was built around that.

Q1364 Pamela Nash: So they were not paid per piece of information.

Ian Kerr: No.

Q1365 Pamela Nash: Or from yourself, but it was expected of them as part of their job description that they had to give this information.

Ian Kerr: That is correct, yes. On the basis of, “This has been a problem for me”, it was fair and reasonable as a goodwill gesture, if you like, for others to be aware of the source.

Q1366 Pamela Nash: Finally, you said today that it was not your responsibility as to how the main contacts collected that information, for the collation or accuracy of that information, or indeed how that information was used eventually. Whose responsibility would you say it was?

Ian Kerr: For the accuracy, I was in the hands of the provider of the information—the main contact. I stress and come back to the point that these were senior people; they wouldn’t have got to these positions in the companies unless they were well versed and knew—as well as anybody can—precisely what they were doing. They were well-respected people who reported to boards.

Q1367 Chair: Can I just clarify that? I understand the point that people who were physically passing information on to you were high up in their companies, but they themselves would not actually be on site, so they were dependent upon the value of the information actually rising up to them.

Ian Kerr: Yes.

Q1368 Chair: They weren’t, therefore, necessarily vouching for its accuracy in every case because presumably they wouldn’t know.

Ian Kerr: Doubtless there were hundreds and hundreds of instances where information was passed from site to these people. They would resolve it in some other fashion. It was only in certain instances where it was considered serious enough that it would come through to me.

Chair: Fine; thank you. Pamela, have you finished?

Q1369 Pamela Nash: Mr Kerr, would you then say that it was their responsibility to determine the accuracy of the information and from where it was collected? That would be the contact's responsibility.

Ian Kerr: Yes.

Q1370 Pamela Nash: Just to be clear, for the use of the information, you would put that on to the employer who took the information in order to make a decision on employing someone or not.

Ian Kerr: I would feed it back to the person who inquired after the person who put it in, as it had been given by the person who had put it in, precisely as it had been given. Then I would record their decision as to what they were going to do about it, be it "Employ", "Not employ", "Employ, note and monitor", and then it would be the same, subsequently, down the line for the next inquiries.

Q1371 Pamela Nash: Just to be clear, Mr Kerr, in the files that we have seen that have been shown to us by those who have gained their own files from the ICO, a lot of it is information not just about trade union membership but specifically about being health and safety representatives, or from passing on health and safety information or complaining about something on sites. You used the phrase earlier "disruptive activities". I don't know if that would be included in those activities. Did you ever worry, when you were doing this job, that people were becoming aware that there was a blacklist taking place and it was putting people off ever reporting health and safety problems on sites or acting as a health and safety rep? Did you ever worry at the time that this was having an effect on health and safety in the companies that you were advising or passing information to?

Ian Kerr: That is a difficult one to answer, if I may say. I would uphold people's right, totally, to do this, without question. But at the same time, I would equally champion the right of the companies to want to know about these people because it affected the companies possibly. Nobody in their right mind would query advances and improvements. People seek to improve health and safety on a site. I don't think you could quarrel or argue against that.

Q1372 Pamela Nash: I would agree with you, but the evidence we have seen is contrary to that.

Ian Kerr: The point here is that some of these people were very, very persistent. They may have had other agendas as well and had been using health and safety to achieve these other aims and objectives. But let's just stick to the fact that it might just be on health and safety. Each site, as I touched on earlier, had it very clearly defined. The construction company would have a safety officer—and a safety manager on a big site. The union would have a safety officer. There would be a string of these with different areas to cover, very often, and there would be a committee that sat and discussed health and safety matters. Logically, you would think that these matters would be brought before that committee for a resolution, so why would you want to set about causing disrest and upset on sites to do with health and safety through other channels?

Q1373 Pamela Nash: Because of what you said earlier—

Ian Kerr: I know the argument would be that it was because they didn't get the solution they wanted through the official channels. But to be fair, they were there. Very serious and strict action is taken where a site is outside its health and safety obligations.

Q1374 Pamela Nash: I am sorry if I am paraphrasing what you said earlier, but you did say that the aim of this was to ensure that jobs were done as quickly as possible with the staff after you had given references or information, but you didn't mention health and safety.

Ian Kerr: I know that health and safety should not be equated to speed and quickness, because that is often the way that problems arise, I think. But, as I say, the sites were very carefully thought out and had machinery in place for dispute resolution, which could be health and safety or anything, such as times started and times of finishing on a Friday. Heaven knows what it could be. Therefore, why would you seek to—I am sorry, but I have lost the thread of what you asked me.

Q1375 Pamela Nash: I am afraid I don't know what your train of thought was there. What I would say is that this inquiry was born out of the fact that the Scottish Affairs Committee noted that the health and safety record in the construction industry in Scotland was even worse than in the rest of the UK, which isn't that good either. People are killed every week on construction sites in the UK and people suffer severe injuries as a result of working in the construction industry. Do you accept that because of this blacklist there were people who saw their colleagues not getting work following reporting health and safety incidents, which then led them, themselves, not to report incidents which they should have done or in becoming trade union representatives or health and safety representatives on their own sites?

Ian Kerr: You are dealing with responsible HR and health managers here. They are not going to take the view that this person got in the way of this site racing towards its finishing date so it did not have to pay penalty clauses. They would be sensible enough and realise that their union opposite number would clearly point out to them if they thought they were acting too hastily to do the resolution of a problem in the best possible way for all concerned. It wasn't anything to do with health and safety issues that should be glossed over because it cost money to put them right. I don't think that a company in this day and age has such an irresponsible attitude. Therefore, if people brought health and safety issues of a minor matter to notice, I think the machinery dealt with those. It was where people chose to persist when they perhaps could have taken a different route—i.e. the machinery in place to resolve it—that people got concerned about it.

Q1376 Pamela Nash: I wish I agreed with you, but the reason why we are having this hearing today and this inquiry is because that is not the information that we have had. It has had a considerable effect on health and safety.

Ian Kerr: Construction sites are, by their nature, dangerous places. That is wholly, wholly, understood by all in it. You have got to be very careful about the health and safety legislation. The requirements today are extremely tight, it seems to me, compared to what they used to be. Nothing is perfect.

Chair: We are getting close to the end. We just want to tie up a few loose ends, if we can.

Q1377 Lindsay Roy: What do you think led to the ICO raid on your premises? Can you tell us briefly about what happened?

Ian Kerr: Yes. They appeared one Monday morning. I was the only person in the office. The person who should have been there was ill, so there was only me there. Four people knocked at the door. I opened it. Mr Clancy stuck his boot in the door so that I couldn't shut it. He produced a warrant from Manchester Crown court or magistrates' court for entry there and then to search the premises. I let them in. They came in. I got the filing cabinet open and took the lists out. They sat down. They explained what their business was. I

then phoned the chairman while this was going on and told him what was happening. He then said that he would consult his websites to see whether they were legally entitled to. I knew that they were. He came back and said, “Yes, it appears that they are.”

After they had settled down, David Clancy came into my office and we sat down and, to be fair, we had a fairly amicable conversation about matters. He said that he had spoken to one person in the industry, which was how this had all started. It set them on the trail. I knew who that was. I opened the cabinets and said, “I could show you a piece that we have just put together”, which had just been mailed out, which was to do with a power station he was working on, which showed his comments at the bottom or comments that were attributed to him in an article. So Mr Clancy had some indication of what was in the other files, which were open. I said to him at one point, “You realise you have destroyed, or you appear to be about to destroy a very effective network in the industry.” His comment to me back was, “I can’t understand why this hasn’t gone overseas long ago outside the ICO’s jurisdiction.”

Q1378 Lindsay Roy: “Why this hasn’t been”—sorry, I missed the last part.

Ian Kerr: That this—the activities of the Consulting Association—hadn’t gone overseas long ago, somewhere outside the ICO’s jurisdiction.

Q1379 Lindsay Roy: Were you surprised by his comments?

Ian Kerr: Yes. I thought he was a very reasonable and open man, to be honest with you.

Q1380 Lindsay Roy: For how long were they there and what was the outcome?

Ian Kerr: Pardon?

Lindsay Roy: For how long was the ICO on your premises and what was the outcome?

Ian Kerr: They were there for somewhere between two to three hours. They took away, as I said, all the information that they wanted. They told me that they would return it and would phone up to agree a date to come back with it. I think they agreed that with the chairman.

Q1381 Lindsay Roy: Roughly, how much of the information did they take away that you had on the premises? Was it 5% or 50%?

Ian Kerr: Five per cent, 10%? I would have thought about 30%—25% perhaps. The point about it is the other information that we held. I don’t know whether this is pre-empting your question, but we had filing cabinets, which were there, which we had acquired second hand. Some of them were empty but some had a lot of information, which were company files, which had all the invoices going back years—nine years. The meeting files I kept—I had a tendency to hoard stuff on the basis that sooner or later somebody would ask me a question about it and I would have to work very hard to find the answer, and if I could go back into the file, I could perhaps get it quickly. There were files to do with certain sites, for all sorts of reasons, and files to do with particular publications. I kept the actual original clippings, which were put together and pasted up for mail-outs. I kept the copies of all the mail-outs. I actually thought you’d ask me this—somewhere I have a note of what I kept.

Q1382 Lindsay Roy: So you have got a note of what you kept—what you retained.

Ian Kerr: Saying what we had got in the files.

Q1383 Lindsay Roy: Rather than search just now, it would be helpful if you were able to give us the details of what you retained.

Ian Kerr: I am sorry.

Lindsay Roy: It would be helpful, rather than search just now, if you could give us details of what you had retained. Am I right that, apart from what the ICO took away, which was a small amount of information, you have destroyed the rest?

Ian Kerr: Yes. I have destroyed a lot of the stuff that was in the files as well. All that we kept is on page 5 of those notes. It is there.

Q1384 Lindsay Roy: Okay, but you burnt the rest; is that correct?

Ian Kerr: As I said earlier, I burnt absolutely everything.

Q1385 Lindsay Roy: For the same reason as you destroyed the computer hard drive.

Ian Kerr: Yes. There was no point in keeping any of this filing stuff which was of variable interest. It was for me—for admin. There was a lot of admin stuff. It says here what we kept. The ICO took the computer away. Four people came. There was Mr Clancy, his kind of assistant, a lady came and a fellow he described as his technical man, who fiddled around with the computer for all the time he was there, from what I saw of him—or sorry, he looked at it.

Q1386 Jim McGovern: Just following on from what my colleague Ms Nash was saying about health and safety, I mentioned earlier that I had worked in the construction industry for some 25 years. I just know, for a fact, that if you said to the gaffer or the boss, “That’s not a job for a ladder. We need a scaffold for that”, which means it would be 10 times the price, you were regarded as a pest, a nuisance, and you end up on your list. You are saying that you are not particularly interested in how somebody ends up on the list. You just pass on the information. So somebody like me, who is saying, “I’m a safety rep and I’m saying that that is unsafe”, because of that I end up on your list and, as the Chair used the word earlier on, I end up unemployable. Do you feel justified in that?

Ian Kerr: No. From the way you have put that, that is a no, I don’t.

Q1387 Jim McGovern: That is the question really. Ethically and morally, do you believe in what you were doing? Do you believe that what you were doing was justifiable?

Ian Kerr: Well, I think we could talk about that for a long time.

Q1388 Jim McGovern: I am here all night. Go on. You can talk about this for as long as you want.

Ian Kerr: People were being refused a job, at worst, by one of the member companies. They could go to a company that wasn’t a member and get a job. My feelings on it were that it wasn’t wholly preventing them from working. There were lots and lots of other companies. This wasn’t a list of all the major construction companies who were members. There were plenty of others. There were lots and lots of subcontractors that were very large companies. There were the subcontractors the next tier down, and so it went on.

Q1389 Jim McGovern: Let me interrupt you and give you an example. When the General Accident Insurance Company were building their world headquarters in Perth, I worked for a Dundee company. Because it was McAlpine that were building it, we had to go on that site every day and pretend that we were from Edinburgh because McAlpine refused to employ anybody from Dundee on their sites because we were regarded as some sort of loony lefties, commies or whatever. Do you think that that is justifiable?

Ian Kerr: No. It sounds ridiculous.

Q1390 Jim McGovern: Yes. That is one of the companies you were representing.

Ian Kerr: Yes.

Q1391 Jim McGovern: But you would never have contradicted them or questioned them on their ethics or morals.

Ian Kerr: I come back to something I said to Ms Nash. I, personally, upheld the right of these people to hold these views. At the same time, you had to balance that against a company that had gone in to do a job in a set period of time, to get out, not make a loss, to stay in business and to keep its reputation intact—

Q1392 Jim McGovern: So you would accept that corners would be cut there. If the object was to make as much profit as possible in as short a time as possible, corners will be cut, as my colleague said, in terms of health and safety.

Ian Kerr: That comes back to an argument that can go on for ever, frankly.

Jim McGovern: As I say, let's argue it. I am all ears.

Chair: I am not sure that we are going to get a meeting of minds on this, Jim. I appreciate your feelings.

Jim McGovern: Mr Kerr has twice said that we could talk on and on about this and I am saying, well, if you want to—

Chair: Right.

Ian Kerr: I shall go away and on my way back home construct my argument that I should have put to you, I am sure.

Q1393 Jim McGovern: Okay. Do you believe that the activities of the Consulting Association were entirely within the law?

Ian Kerr: Were what? I am sorry.

Jim McGovern: Do you believe that the activities of the Consulting Association were entirely within the law—that they were entirely legal?

Ian Kerr: It became illegal after or it was the reason why the ICO came into being, didn't it? We should have registered. Our error, legally, was not to register as a data controller.

Q1394 Jim McGovern: In relation to the activities of the Consulting Association, do you believe that there is still a need for those sorts of activities?

Ian Kerr: Probably, as a result of this inquiry and what has become public since, I can see a far better way if you want to go about knowing about people who are a problem on site, in that you do it within the scope of the Data Protection Act. If you are an HR manager and you have a problem with somebody, you say, "We think it is serious enough that we are going to refer you to such-and-such an agency", and at the same time this agency is registered. That person has the right to apply to it.

I think the bottom line of all that is, like it or not, that this is always going to be there, one way or another, in whatever industry. The fact that it is there in construction is that it is a transient industry and it would seem to have a stronger case for doing it. If you take any company in any part of the country, on an industrial estate that is static, which has been there for so many years, it will know the employment situation, the strengths and weaknesses of the people it could or couldn't employ in the area, and it will have an unofficial underground network with their opposite numbers in the companies in the area, as I understand it.

Q1395 Jim McGovern: Thanks, Mr Kerr. Finally, do you believe, whether it is underground or via recognised organisations, that blacklisting and vetting still goes on in the construction industry, or for that matter, any other industry?

Ian Kerr: Do I think it should or would?

Q1396 Jim McGovern: No. Do you think it does go on?

Ian Kerr: For the reasons I gave you earlier, yes, I think in some form or another, yes.

Jim McGovern: Thanks very much.

Q1397 Chair: We are obviously getting to the end now, so I want to try and tie up a couple of loose ends. In the files and the cards that I saw there was reference to a number of other files. Things said, “See RMT reference”, “See JSCSC file” and “See also UCATT file.” I presume that those were all historical references to material that had been left behind with the Consulting Association. Is that right?

Ian Kerr: Yes. I said earlier that in the filing cabinets we would hold files. We did actually hold files on unions in general, so if there was a cutting and I thought it was of interest I would stick it into a file marked “RMT” or into a UCATT file. Also, we published a list each year, circulated to the members, of the construction unions by head office, telephone numbers, addresses, regions and, within those regions, the names of the officials. So those were kept in those files. The purpose of that was purely and simply that when a company was going off to set a site up somewhere the person would be able to look on that list and say, “Oh, this is the man I can expect to contact me.” The union official’s job would be, as I understand it, if he saw a board go up somewhere, to make himself known to that site, through these contacts.

Q1398 Chair: That is in your role as a sort of quasi-trade association. You were providing neutral information to your member companies.

Ian Kerr: Yes. A lot of those came from the handbooks that the companies and the unions themselves published.

Q1399 Chair: But the sort of stuff like “See SWP meeting report” file, presumably, was relating to previous material that had been held by the Economic League that was no longer carried over to you.

Ian Kerr: What were the initials?

Q1400 Chair: SWP—a Trotskyist organisation, to the best of my knowledge.

Ian Kerr: Yes; it may have been. I would have had a file on the SWP. I would have had a file on the National Front. I would have had a file on any organisation that seemed to be jumping up and down about construction. It was my role to keep tabs on that.

Q1401 Chair: But none of that would be accessed in the context of individuals applying for employment. That was all in the context of looking at an overview of the industry as an information and intelligence centre.

Ian Kerr: If somebody said to me, “What’s the SWP? I’ve no idea what it is”, I could look in the file and give them a very good idea.

Q1402 Chair: That clarifies that point. My second to last point is about Caprim, which is mentioned in your report and of which we have heard. Can you clarify for me what your understanding is of Caprim? You mention in your report the two people who set it up. What was Caprim doing?

Ian Kerr: When the League folded it was decided by the construction companies, as I have said, to set up the Consulting Association. The two people who were the director general at the time and the director of information and research of the League chose to continue with a business that had some of the elements of what the Economic League did. I don't know the ins and outs of it at all because I had no contact with them afterwards. Basically, they were going to continue putting publications out to member companies. I think they were going to do CV checking—curriculum vitae checking. In other words, they would be checking whether somebody who says he's got a degree has got a degree, and all that sort of thing, when the job application was received. It was a different strand of things.

Q1403 Chair: If we want to clarify that, we will pull them in as well. What are the names of the two individuals? You have got their titles but you haven't given us their names.

Ian Kerr: The director general at the time was Stan Hardy, and the director of information and research—I think he still had that title—was a Jack Winder.

Q1404 Chair: A final point from us is that I did notice in the files that there did seem to be a disproportionately large number of Scots in your files by address and so on.

Ian Kerr: Are you sure?

Q1405 Chair: No, not entirely, but I thought so. I wasn't sure whether or not Scottish companies, perhaps, were disproportionately active in putting names in or whether or not there was some other reason, but there did seem to be quite a substantial number of Scots' addresses in the list. If you work on the basis of Scotland being 9% of the population, it did seem that there was a disproportionately large number there. I wondered if there was any explanation for that, because we are after all the Scottish Affairs Select Committee.

Ian Kerr: It is an interesting point you raise, but I have never addressed it or thought about it until now.

Q1406 Pamela Nash: Mr Kerr, you said, in response to Mr McGovern's question about the work of the Consulting Association being legal, that it was not illegal to begin with but it became illegal with data protection laws coming in. One of our favourite questions on the Committee now is about legal advice. Did you or your colleagues who set up the Consulting Association ever take legal advice at its inception about the legality of what you were doing?

Ian Kerr: I didn't, but whether the steering committee that formed the Consulting Association did—it is very probable that they did.

Q1407 Pamela Nash: Is there any way that we could find out if legal advice was sought?

Ian Kerr: No, I can't think of any.

Q1408 Pamela Nash: The reason why I am asking this question is that I am not a lawyer, but just from a quick look at the European convention on human rights, I would guess that this contravenes at least two articles on that, and that legislation has been in place since the '50s, not since the Data Protection Act. I would guess that while there wasn't data protection legislation at the beginning of the Consulting Association, there were other laws that it could have broken.

Ian Kerr: I think the European convention on human rights is one of these things that have developed, developed and developed over a period of time to become a significant vehicle. I had hardly ever heard of it at that time, in 1993.

Q1409 Pamela Nash: That does not mean that it was not the law.

Ian Kerr: No; that is entirely my ignorance. I know that. I think that was a general feeling at large, perhaps.

Q1410 Pamela Nash: Now that years on the consequences of the work of the Consulting Association have become clear, are there any elements of your work that you regret or anything that you would change?

Ian Kerr: If I were to do it again?

Q1411 Pamela Nash: Would you do it again?

Ian Kerr: I wouldn't. Absolutely not. Is there anything that I regret, did you say? I would be truly sorry if we had ruined somebody's life permanently, but as I pointed out, they were all in a position to seek employment for their trades and skills elsewhere in the industry. If it caused genuine hardship, then no, that's not right. It was felt that these companies had a right to protect themselves, and by refusing employment they were not flagging them up openly to stop them getting work elsewhere. That is what I would come back to all the time. I would equally say that where it had ruined lives and it could be genuinely shown to have done that, then that would be a concern and a matter of regret for me.

Pamela Nash: Thank you.

Q1412 Chair: We normally end our meetings, and we will this one, by asking our guests whether or not there are any answers they had prepared to questions we haven't asked. In a sense, are there any particular points that they want to make that they feel we haven't already covered? I wondered if there was anything in particular that you feel we haven't touched on that you want to draw to our attention.

Ian Kerr: Yes. There is one thing that relates to Mr Wainwright's evidence. It is the last paragraph on page 6. He did suggest that over a period of time construction companies would be fed so many names through that they would keep those and cease to find a need for the continued use of the service. My experience was that they didn't do this. It was much cheaper, and more efficient and effective for them to put the names through to us all of the time and to not give me the opening and the need, as an entrepreneur, he seemed to be suggesting, for me to go out and seek a living by getting other industries in. That categorically was not the case; I was an employee all the time. That is something that needs to be said.

Q1413 Chair: Can I just clarify a point about the fine of £5,000 that you were levied? Did the Consulting Association pay that or did that fall on you personally?

Ian Kerr: The fine was paid by—it came through Sir Robert McAlpine, on the basis that I had put myself at the front and took the flak, if you like, for it all, so that they wouldn't be drawn into all of this. They would remain hidden, if you like.

Chair: Thanks very much for that.

Ian Kerr: For that to be the case, there would be no mention of my contract of employment, who signed it and any other documents that might come out. I had to send it to them eventually.

Q1414 Chair: The £5,000 fine being paid by Sir Robert McAlpine was part of a confidentiality agreement. Understandably, your circumstances are such now that you are under oath and therefore that does not apply, but that was part of a confidentiality agreement and you would not pursue them for anything else. Is that a fair way of putting it?

Ian Kerr: There was no written agreement of any shape or form. It was just an agreement.

Q1415 Chair: An informal—

Ian Kerr: Very, very informal, because they were—I think they had to be careful about what they were getting involved in. It was the £5,000 fine, which included a £1,000 administrative cost to the court as well, plus they paid certain of the winding-up fees that we were short of. We had a surplus of £58,000 from which we were not able to cover all the winding-up costs, including statutory redundancies to the staff and to me. They covered the shortfall on that and the contract we got out of with rent and rates on copiers and all that sort of thing—that we had to get out of and cancel. We covered as much of that as we could out of the £58,000 and there was still a shortfall. There was also a payment made to a solicitor for the costs of representing me at one of the IT cases as a further payment.

Q1416 Chair: That must have been, what, about £100,000 altogether?

Ian Kerr: No, nothing like that. It would have been about £20,000-odd.

Q1417 Chair: I see. I wasn't sure how much the leases would have cost and all the rest of it. I don't know Droitwich, so I don't know how much leases are there. In total, those costs came to between £20,000 to £30,000; Robert McAlpine picked up all that, and they picked up the cost of your fine.

Ian Kerr: It was included in that, yes.

Q1418 Chair: It included that.

Ian Kerr: They paid it. Whether they themselves stood it or got it from the other members, I don't know.

Q1419 Chair: But they were the vehicle through which it was paid.

Ian Kerr: That's correct.

Q1420 Jim McGovern: Mr Kerr, was there some sort of severance payment for you, personally, at the wind-up?

Ian Kerr: No. As I said, we had somebody to pay parts of the statutory minimum redundancy. I received that, my wife did and the two other employees we had did as well. I think they were certainly short on one—to get that sorted—at least.

Chair: I am strongly tempted to say that if you had a better trade union representing you, you might very well have got a better deal in these circumstances. Could I draw things to a close, particularly since the man from the *Morning Star* has re-entered the room, and say that one of the things in the file that was down against somebody was that they also said the *Morning Star* was the only paper supporting the unions? To have that sort of trivia—it might or might not be true—in somebody's personnel file does seem to us to be a bit absurd.

Could I thank you for coming along this afternoon and being so open? We have had you here for three and a half hours and you have been very open with us. We did indicate earlier on that if necessary we would ask you back if further evidence is required, but we hope that we will be able to settle any clarifications that are necessary simply by correspondence. There are a number of issues arising from this that we want to make sure are clarified with the staff. Could I close the meeting?