



Cayman Islands

Office of the Auditor General
Cayman Islands Government
3rd Floor, Anderson Square
64 Shedden Road, George Town
c/o Government Admin. Building
Grand Cayman
Cayman Islands

TEL: 345-244-3211

FAX: 345-945-7738

E-mail: auditorgeneral@gov.ky

By email

Mr. John Yates
Assistant Commissioner
Metropolitan Police Force

Re: Clearance of Audit Report – Review of Expenditures for Operations Tempura and Cealt

Mr. Yates,

As we discussed with you during the course of our audit, we are requesting comments from you on those sections of the audit report that mention your name and references to the Metropolitan Police Force. If you have any comments and concerns regarding the references we have made, we would appreciate hearing back from you by next Friday, July 3, 2009. Attached are the references in the report.

In the meantime, if you have any questions or concerns, please don't hesitate to call me or Martin Ruben at 345 244-3201 or 345 244-3206 respectively.

Dan Duguay, MBA, FCGA

1.01 To conduct the investigation, H.E. The Governor engaged the services of the London Metropolitan Police Force. The investigation was covert for a period of approximately six months and when it became public knowledge, it was known as Operation Tempura.

A team of London Metropolitan Police officers were brought to the Cayman Islands by approval of the Governor's Office and operated covertly to investigate the complaint. Initially, there was only a team of two officers that conducted a "scoping study". The team was led by Martin Bridger, the Senior Investigating Officer.

Shortly after the investigation was made public, Mr. Bridger retired from the London Metropolitan Police (May 2008) and was engaged by the Cayman Islands Government as a consultant.

2.02 The investigations that started operations in September 2007 with two Metropolitan Police Officers, has fluctuated in size over the course of the investigation. At times, there have been as many as eight members of the Metropolitan police force on duty. With the contract to BGP Training and Consultancy in September 2008 who have had as many as seven individuals assigned to the project, contracting three former Metropolitan Police officers including Mr. Bridger, lawyers supporting the team, and a project administration officer, there have been as many 19 individuals working directly for the project plus several others working part-time in the Government ministries providing administrative support.

September 2007	Covert operation approved by Governor and 2 Metropolitan Police officers arrive to conduct a "scoping study"
October 2007 to March 2008	Covert operation continues with 4 to 5 Metropolitan Police officers and support from CI government officials

4.01 As well, I appreciated the assistance of the Senior Investigating Officer and other members of the London Metropolitan Police in assembling the information necessary to produce this report.

4.02 We did not receive any information from Government officials or by way of direct request to the Metropolitan Police Force (MPS) relating to their costs for the period October 2008 to January 2009. The arrangement to acquire the services of the Metropolitan Police Force was made by the Governor's Office in September 2007 and was arranged through the British Foreign and Commonwealth Office (FCO). The services were acquired without any competitive process which would require consideration of different options. We were informed that "the MPS is the first point of call by the FCO since they have a unique international policing role in many areas and therefore have the most expertise". There is no formal agreement or contract regarding the deployment of the MPS resources and, through an e-mail arrangement with John Yates, Assistant Commissioner, the services were acquired on a full cost recovery basis, which we were told is normal procedure in situations such as this.

This means that the Cayman Island Government reimburses the MPS a set daily rate for an individual based on rank, plus a daily allowance of \$100 CI, accommodation and travel costs for periodic visits to and from Great Britain when the individual encounters lengthy stays.

Sept 07 to Jan 09

- Met Police	722,609		
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5.01 While we understand that Terms of Reference were suggested for the Group by Assistant Commissioner John Yates, we could not find any evidence of their adoption. At the outset, this committee was chaired by the Chief Secretary, and attended by various individuals, including H.E. the Governor on occasion, Special Legal Counsel (appointed by H.E.), and the Senior Investigation Officer from time to time.

Metropolitan Police not paid

10.01 As of the time of drafting this report, the Metropolitan Police force had not been paid for their services. They billed for their services up to March 2008 in June 2008.

10.02 According to officials in the Portfolio of Internal and External Affairs, there was insufficient information attached to the billing to determine if the billing was for the appropriate amount.

10.03 I was provided a number of emails that went back and forth with the Metropolitan Police in the 9 month period since the billing was received; with no resolution.

10.04 The Metropolitan Police have not billed the Cayman Islands Government for the work it has performed for the period April 2008 to January 2009. We requested information independently relating to the billable amount for this period and as of the date of this report, we had only received billing information for the period ending September 2008. This required us to estimate the billable amount for the Metropolitan Police for costing purposes in this report.