

Banking RBS bought £1,000-a-roll wallpaper and had fruit flown in from Paris, report Isabel Oakeshott and Daniel Foggo

EXTRAORDINARY new details of the extravagance of Sir Fred Goodwin's reign at the Royal Bank of Scotland have been revealed by a whistleblower.

An RBS insider claims the disgraced former chief executive squandered vast sums empirebuilding and indulging his personal tastes as the bank ran up huge losses.

The well-placed source has told how the bank allegedly:

Re-decorated the lobby outside Goodwin's office with wallpaper costing £1,000 a roll because someone had made a tiny stain on one surface.

Spent £5.3m lavishly refurbishing a grade A listed building — styled "Sir Fred's Pleasure Dome" by staff — that was barely used.

Paid out £100,000 a month on part-time chauffeurs.

☐ Flew fruit in daily from Paris and upbraided staff about

"rogue biscuits" when pink wafers were included with other boardroom snacks.

Twice changed £100-asquare yard carpeting in two vast boardrooms because Goodwin "didn't like the shade of

The whistleblower's claims, which are not being denied by the bank, will stoke public outrage at the scale of Goodwin's £700,000-a-year pension. They are likely to be of significant interest to the government, which has been forced to use taxpayers' money to prop up the bank, in its fight to claw back the cash.

weekend, denied by RBS, that Goodwin failed to inform the board of the bank's level of exposure to "toxic" debt, they will stop the practices. fuel mounting speculation at

government or shareholders for failing to stop its spending

Last night, Vince Cable, the deputy leader of the Liberal attacked the Financial Services win's exacting demands.

a world leader in communications and entertainment

speak out by the misery of colleagues made redundant as a

result of RBS's near-collapse. In e-mail correspondence with Cable, and in an interview Democrats, labelled the waste with The Sunday Times, the tives permitted to also use it chefs and sous chefs, were alleg-Coming after reports this "sickening greed at savers' and individual revealed the lengths were on a particular list, sanc- edly available to cater for Goodshareholders' expense" and staff went to to cater to Good-

Authority (FSA) for failing to "You were told never to hold meetings or lunches here. question anything the execu-The whistleblower, who tive wanted. 'If they want, they Westminster that the bank's recently left the bank to take up get' was commonly known. If auditors could be sued by the another role, was moved to the halibut cost £38 a pound

and they wanted the halibut,

source said. The source claims that RBS, ruptcy by the government last record losses of £24 billion for polish on the wall near Goodlast year, spent more than £5m in 2005 on refurbishing an 18th-century building adjacent back and re-paper the whole to its flagship branch in St lobby," the source writes, add-Andrew Square, Edinburgh, ing that the handpainted wall-"entirely and specifically to paper was reputed to have costcater for Sir Fred's hospitality ed "£1,058 per roll". use" and to prevent any competitor from moving in.

"The carpet throughout the building (acres of top quality hugely expensive carpet) [was] changed, some of it twice, because Sir Fred didn't like the shade of amber," said the whistleblower.

"The building was known variously as FAG End [Goodwin's initials and Sir Fred's Pleasure Dome. The only executioned directly by Sir Fred. Mere win and his closest colleagues mortals were not allowed to in Edinburgh alone. I believe in about two years he must have used it half a dozen

times, if that." an Edinburgh firm, Michael site describes how the project, imagine the distribution costs? The whistleblower told how well-fed lapdogs round the installing a "state-of-the-art facility, including a subterranean kitchen serving several RBS properties".

autumn and has since reported small blemish with brass executives' afternoon tea.

win's office. "We had to completely strip

During dinner functions, the source claims, an engineer was kept on standby late into the night solely to switch off the fire alarm's when executives wanted to smoke.

No expense was spared when it came to hospitality, using suppliers hundreds of miles away and ferrying staff long distances when personnel were available locally. Some 300 hospitality staff, including

Edinburgh on a daily basis fell, received little sympathy from Paris for a long period. from RBS high command. Frank Yorke, (Yorkes Butchers), Despite his having written a arch. Forget 'Sir Fred' — he was The work was carried out by being a friend of Sir Fred's, note of apology to Goodwin, playing King Frederick of Scotsupplied all the meat. They are staff simply "went into panic land, with his auditors and Laird Architects, whose web- based in Dundee - can you mode" over how to fix the toy. non-executive directors as

At RBS's former headquar- warning that incorrect presenthey got the halibut," the ters, also in St Andrew Square, tation of tea and biscuits was a also seen in a fresh light. When the whistleblower said that a disciplinary offence. Headed lobby was redecorated with "Rogue Biscuits", it railed about which was saved from bank- watered silk wallpaper after a the mistaken inclusion of pink cleaner accidentally made a wafers in a biscuit selection for

> A worker who toppled off a ladder while cleaning windows in Goodwin's office, breaking a

THE BUILDING WAS KNOWN AS SIR FRED'S

PLEASURE

DOME

"The fruit was flown in [to small model aeroplane as he

which was completed in And they could charge what RBS's top chefs were sent on a throne," he said. December 2006, involved they liked." 250-mile round trip from Staff lived in terror of invok- Edinburgh to Aberdeen simply "Those who were responsible executive meeting and dining ing the wrath of Goodwin and to provide "stovies and pies" for RBS's problems have taken his colleagues. On one occa- for executives after an accountability for them. Everysion, catering staff were sent an international rugby match, one at RBS is now focused e-mail from senior managers while Goodwin's attitude firmly on the future."

towards his own travel plans is flying into Edinburgh airport in his private Falcon 900EX jet which had the personalised registration RBSG (Royal Bank of Scotland Goodwin) - he "didn't. want to walk far" so allegedly ordered the bank to buy four executive car parking spaces nearby. A spokesman said Goodwin could not comment

agreement. The whistleblower also claims that 24-hour manned security was ordered at Goodwin's £3m Edinburgh home at the bank's expense after children broke into his garden and played on the swings while he was on holiday.

because of a confidentiality

Cable has sent some of the whistleblower's account to the FSA, saying it raises "fundamental questions" about whether RBS's non executive directors, and auditors, Deloitte, were doing their jobs properly.

Matthew Oakeshott, the Lib Dem Treasury spokesman, said the profligacy had "chilling echoes of Enron".

"This saga of waste and greed would shame a medieval mon-

A spokesman for RBS said:



## Jonathan Oliver **Political Editor**

JAMIE OLIVER has been invited by Gordon Brown to cook a banquet at No 10 for President Barack Obama and other leaders of the G20, offering a cutprice menu to reflect recessionary times.

Downing Street sources say the celebrity chef will cook using "honest high-street products" and avoid expensive or "fancy" ingredients.

The prime minister is keen to avoid a repeat of the embarrassment last year when he sat down to an 18-course gastronomic extravaganza at a Japanese summit to discuss world food shortages.

Obama, President Nicolas Sarkozy of France, Chancellor next week to reflect the empha-Angela Merkel of Germany and sis of the London summit, other leaders will be served by which he hopes will lead to an apprentices from Fifteen, the agreement to lift the world out working on will show British expected to cost at least £7m.



Apprentices from Oliver's restaurant will serve leaders

London restaurant Oliver of recession. "To be invited to founded to help train under- cook for such an important privileged young people.

Brown wants the dinner

group of people who are trying to solve some of the world's major problems, well that real-

ly is a privilege," said Oliver. "I'm hoping the menu I'm

food and produce is some of the best in the world, but also show we have pioneered a high-quality apprentice scheme at Fifteen London that is giving young people a skill to be proud of." The chef has yet to finalise

the menu, but is expected to draw inspiration from his latest book, Jamie's Ministry of Food, which has budget recipes for beef and ale stew and "mega" chocolate fudge cake. This week Brown leaves for a

six-day world tour to build support for his proposed "global new deal".

The journey culminates with a gathering of centre-left leaders at Vina del Mar, a Chile-

an beach resort. Back home, there are fears that the London summit will be marred by violent protests from anti-capitalist demonstra-

tors. The security operation is

## UK Google boss escapes cameras

## Simon Alford

THE £2m home of the UK head of Google, the internet search engine, is not visible in the company's new Street View service.

The web function allows users to view photographs of thousands of UK streets and houses, with the option to swivel 360 degrees and zoom in on homes.

Woodside's west London town breached. Home owners can fill house is not one of them. His residence is situated in a private gated development in Kensington, where the 40-yearold American lives with his

wife and two children. Google's staff spent months photographing millions of

high-resolution images in 25 UK cities using a fleet of carmounted cameras.

Last night a Google spokeswoman, Laura Scott, said Woodside's house had not been omitted on purpose but was not included because it was on a private road, and no private roads were included.

The company has said it will remove or blur images of

in a form on the website. The launch of the service sparked controversy because of some of the images included. Shots of a man emerging from a Soho sex shop are among those removed after complaints.

Images of naked toddlers

The Google boss Dennis rity or privacy has been removed after they were discovered by a newspaper. Richard Thomas, the information commissioner is consid-



Woodside's house cannot be seen on Google Street View

enjoying a family picnic in a homes if people feel their secu- quiet London square were also

> ering an investigation into the new service if similar images are found. Google is facing threats of legal action in Germany as its image mapping threatens privacy laws.

Google uses face-recognition technology automatically to blur most faces and numberplates captured by its cameras. Some close-up shots of Down-

ing Street and the House of Commons have also been removed, though last night images of policemen guarding the London home of the former prime minister, Tony Blair, were still on the site.

Vivendi,

www.vivendi.com

a world of video games

a Vivendi company

"Content." Sunday Times, 22 Mar. 2009, p. [1]. The Sunday Times Historical Archive, link.gale. com/apps/doc/WYJZRB577106466/STHA?u=jrycal5&sid=bookmark-STHA&xid=c5ee75ff. Accessed 9 July 2021.