

AUDIT COMMITTEE

10 AUGUST 2009

SUPPLEMENTARY REPORT

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Fire Procedure: The fire alarm for Bexley Civic Offices is an intermittent klaxon which sounds like a motor horn. If this alarm sounds, please leave the building by the nearest fire exit and assemble on the lower deck car park at the rear of the building. The Committee Officer will take charge of the evacuation.



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AUDIT COMMITTEE – 10 AUGUST 2009

USE OF PURCHASING CARD BY FORMER COUNCIL LEADER MR CLEMENT INTERNAL AUDIT REPORT AND RESPONSE OF THE CHIEF EXECUTIVE AND THE DIRECTOR OF FINANCE

Summary

Agenda Item 5 refers to the dispatch of a report on the Internal Audit investigation into the use of a Council purchasing card by Mr Clement. This report is attached as an Appendix and includes a number of recommendations for the Chief Executive and the Director of Finance.

Recommendations: That (1) the Committee notes the report attached as an Appendix together with the response by the Chief Executive and the Director of Finance to the Head of Internal Audit's investigation; and

(2) Members consider any further action that may be appropriate.

1. Response of the Chief Executive and the Director of Finance

The Chief Executive and the Director of Finance have agreed a joint response to the Head of Internal Audit's report:

"We have considered carefully the report of the Head of Internal Audit into the use made by the former Leader Mr Clement of the Purchasing Card. We note that there is no evidence of fraudulent activity in Mr Clement's use of the Purchasing Card. We accept the findings set out in recommendations 7.1 to 7.4. The Director of Finance will seek to recover the sums noted in paragraph 7.1 and 7.2 which relate to claims made by Mr Clement under the Members' Allowances Scheme and the overnight stay at the Park Plaza on 22 April 2008."

2. Further Work

Members of the Audit Committee will wish to note that the Finance & Corporate Services Overview & Scrutiny Committee has commissioned a review of the officers purchasing card scheme. This will be reported to the Committee at its meeting on the 7th October 2009.

3. Legal Implications

The Monitoring Officer supports the findings of the Internal Audit Report. There is insufficient evidence of fraud to pursue a criminal prosecution under the Fraud Act 2006. A key component of a prosecution is the fact that the Council would have to prove that Mr Clement made a representation (either express or implied). The process for paying for expenses using the P-Card is unlikely to be deemed to involve making any representation as it requires the keying in of a pin number or the signing of an invoice.

The Monitoring Officer has considered the Members' Code of Conduct. Mr Clement's actions in claiming overnight subsistence allowances when costs had already been met by the Council or other agency, and claiming for other expenses contrary to the Members' Allowance Scheme constitute breaches of paragraphs 5 and 6 of the Members' Code of Conduct. The former prohibits a member from bringing his authority or office into disrepute and the latter requires a member, when using Council resources, to comply with the reasonable requirements of the authority (and that would include compliance with the Members' Allowance Scheme). The Monitoring Officer is considering what action to take in relation to the Code. In the meantime and more generally, all members will be provided with training on the Members' Allowance Scheme.

4. Summary of Financial Implications

The Council will seek to recover an amount of £2,087.85.

5. Other Implications

There are no other implications arising from this report.

Local Government Act 1972 – Section 100D

List of Background Documents

- (1) Bexley Council Purchasing Card Statement of Use for Card Holders
- (2) London Borough of Bexley – Scheme of Members Allowances 1 April 2007 - 31 March 2008
- (3) London Councils Expenses Policy Pre June 2009
- (4) London Councils Reimbursement Policy June 2009
- (5) Nat West Purchasing Card Statements
- (6) Receipts relating to Mr Clement's Purchasing Card expenditure

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Reporting to: Will Tuckley, Chief Executive and Mike Ellsmore, Director of Finance

**Investigation into use of Corporate Purchasing
Card by the former Leader of Bexley Council,
Mr. Ian Clement**

5th August 2009

Investigation into use of Corporate Purchasing Card by the former Leader of Bexley Council, Mr. Ian Clement

Date: 5th August 2009

Auditors: Chris Harris/Stuart Moore/David Hogan

Task Ref: A402

This Internal Audit Report is forwarded for your attention.

David Hogan
Head of Internal Audit

Distribution	Action Required
Will Tuckley Chief Executive	Recommendation numbers 7.1 to 7.4
Mike Ellsmore Director of Finance	7.1 to 7.4
Angela Hogan Deputy Director Legal Services	For information

1. **Scope of the investigation**

- 1.1. This report sets out the results of an investigation into the usage of a Bexley Council Corporate Purchasing Card by Mr. Clement, former Leader of the Council. The use of the card covers the period from 1st July 2007 to 4th May 2008.

The stated scope and objectives were:

- to review the usage of former Councillor Clement's Purchasing Card to establish whether there is any evidence of fraudulent activity;
- to review the usage of the card to establish whether there is any evidence of improper expenditure; and
- to advise on a future course of action following the outcome of the investigation.

The total expenditure reviewed relating to Mr. Clement's Purchasing Card amounted to £4,167, of which £1,220 related to personal expenditure and which was subsequently repaid. The publicly available spreadsheet is attached as Annex 1.

During the course of the investigation certain findings made it necessary to extend the scope so that claims made by Mr. Clement under the Members' Allowances Scheme were also examined for the period in question. At the time of the investigation questions had been raised about Mr. Clement's GLA Card use. It is important to note that this investigation has been undertaken independently based solely on the evidence available as it relates to the London Borough of Bexley.

The main conclusions of this review are given below in Section 2. Sections 5 & 6 contain "Detailed Findings" and Recommendations are given in Section 7.

2. **Conclusions and Summary of Findings**

- 2.1 The audit investigation, based upon evidence gathered and interviews undertaken, has concluded the following:

- There is no evidence that Mr. Clement used the corporate Purchasing Card fraudulently;
- There was an hotel stay at the Park Plaza hotel which is not supported by a justified business reason. The taxi fare from a legitimate event to the hotel does not meet the criteria of "urgent" required under the Members Allowances Scheme. The Chief Executive and the Director of Finance should seek to recover £155.90 from Mr. Clement in this respect. (A full analysis is contained in Annex 2);
- The card was used in contravention of Council rules. The Council's Purchasing Card Statement of Use, signed by Mr. Clement, is clear that personal expenditure is not permitted and such expenditure was incurred. It is acknowledged, however, that this personal expenditure was repaid;
- The use of the Purchasing Card to provide hospitality is a grey area. Without a clear Council protocol relating to such use the Council becomes solely reliant on the user's judgement. The acceptability of such usage will, therefore, vary from individual to individual. The lack of clear guidance places the Council in a difficult position when seeking to recover what may be considered inappropriate expenditure;
- £217 in travel costs could have been claimed by Mr. Clement from London Councils' allowances scheme, rather than being paid by Bexley, during the period he was an executive on that body. London Councils have been approached but will not allow a retrospective claim; the above amount will therefore have to be written off; and

- There were subsistence allowances claimed by Mr. Clement under the Members Allowances Scheme for which costs had already been paid, via the Purchasing Card, directly by the Council or by an external body. The Chief Executive and the Director of Finance should seek to recover £1931.95 from Mr. Clement in this respect. (A full analysis is contained in Annex 2).

2.2 The issue of a Purchasing Card to Mr. Clement was agreed in principle by Mr. Berry, at that time the Acting Chief Executive & Director of Finance. This was the first and only card issued to Members and at the time insufficient attention was given to the administration and control arrangements relating to the card's use. This constituted a weakness in the system.

There was a lack of clarity over what this card could and should have been used for. In short, the card has been used for the following:-

- Personal expenditure for which the card should not have been used.
- "Hospitality" expenditure on behalf of Bexley Council;
- Out of pocket expenses;
- Expenditure relating to Mr. Clement's role on London Councils, for which he could have claimed under their own Expenses Policy instead;
- Expenditure that falls under the Scheme of Members' Allowances, such as travel, subsistence and accommodation.

2.3 It should be noted that Mr. Clement has stated that when he incurred hospitality expenditure he viewed it as an opportunity to network with others of influence to raise Bexley's profile. He has also stated that he did not intend to claim anything he was not entitled to, and questioned why, if there had been any contravention of the rules it had not been challenged previously by the Council.

Mr. Clement further stated that the protocols relating to the Purchasing Card's use were not explained to him, although it is clear that he had received and signed the Terms and Conditions of the Purchasing Card Statement of Use.

Without a clear framework for using the card, no clear definition of what should be deemed hospitality or out of pocket expenses, and no pre-approval process, Mr. Clement exercised his own judgment; this was a weakness in control. There is evidence of expenditure incurred on the card which is outside the normal definition of travelling, subsistence, seminar and conference expenses.

2.4 Mr. Clement was elected to the executive of London Councils as from 5th October 2006 (with responsibility for the Crime & Public Protection portfolio). Some expenditure was identified that could have been claimed by Mr. Clement from London Councils, whilst carrying out duties in this role; this expenditure has instead been paid for on the Council's Purchasing Card and amounted to £217 on travel. Mr. Clement stated that he was not aware of the London Councils' expenses or hospitality schemes and it is not apparent that it was particularly publicised by London Councils.

2.5 The investigation also undertook a series of checks to determine whether all expenditure related to meetings which involved Bexley. There is evidence that on one occasion a travel ticket was purchased in respect of a meeting with the Chief Executive of the Metropolitan Police Association to discuss business relating to the possible change of London Mayor. There was also one meeting held with a prospective London Assembly candidate, who held no office at the time, some 8 months before the election. Mr. Clement, however, regarded these meetings as relating to Bexley and how it is viewed within the wider London area. He also held a position on London Councils where he represented both Bexley, and also London Councils in relation to Crime and Public Protection issues. After discussing this issue with the Deputy Director (Legal Services) it was agreed to take no further action as

there was no conclusive evidence that the meetings did not involve either Bexley or London Councils.

- 2.6 The purchasing card checking and authorisation process for the Leader was not robust enough. Relatively junior staff were tasked with checking the transactions and undertaking a monitoring role which was not clearly explained to them. There was a lack of clarity over the intended use of the card, and staff did not feel it was their role to question the authority and judgement of the Leader in its use, although they did raise personal items of expenditure with Mr. Clement, which have been repaid. Mr. Clement stated that he had always been prepared to repay the items without the need for a reminder.
- 2.7 There were items identified on Mr. Clement's purchasing card which, prior to its issue to him, would have been claimed separately under the Members' Allowances Scheme. Mr. Clement stated that at no time had anyone explained how his use of the card would affect any claims he might make under the Members' Allowances Scheme. It is also noted, however, that there were a number of items claimed that exceeded the agreed allowances under the Scheme.
- 2.8 On 4 identifiable occasions Mr. Clement claimed a full subsistence allowance which covers both accommodation and provision for meals when he attended residential courses and conferences. This was despite the fact that the course or conference provided accommodation and meals as an integral part of the event. This was inappropriate as the costs had already been met. Mr. Clement stated that this was not an intentional act and was due to a misunderstanding of the Scheme rules, although limited allowances may have been payable. This occurred on 4 identifiable occasions and amounts to £1,931.95 in over claimed allowances.(Annex 2 provides further details)

3. **Audit Work Undertaken.**

This investigation set out to determine whether there was any evidence of fraudulent activity and use made by Mr. Clement in respect of his Purchasing Card, and whether there was any evidence of improper expenditure. To ascertain the above the following actions took place:-

- 3.1 Each item of expenditure relating to the period 1st July to 4th May 2008 was examined, referring to prime records where available, e.g. diary records, minutes of meetings, receipts, purchasing card statements and other financial records. However, it should be noted that there is not a definitive record of Mr. Clement's movements during the period in question.
- 3.2 Where other individuals or organisations were identified confirmation was sought, wherever possible, of the dates, times and purpose of meetings that took place, from those concerned.
- 3.3 Interviews were held with current Council officers, and questions asked of former officers, who were responsible for the administration of the Purchasing Card scheme. Mr. Clement was written to and subsequently agreed to be interviewed in order to answer questions and give his own account of these matters. It should be noted that Mr. Clement fully co-operated with the investigation.
- 3.4 Further enquiries were undertaken as to whether Mr. Clement had claimed for items already paid for on the Purchasing Card either via the London Councils' scheme or the Members' Allowances Scheme for Bexley.

- 3.5 The latter point raised questions regarding the claiming of overnight subsistence allowances when accommodation had already been paid for by the Council. The review was widened to examine whether any other such allowances were incorrectly claimed by Mr. Clement.

4. **Background**

- 4.1 The principle of utilising purchasing cards for legitimate business expenditure is an established one; they are a common tool in both corporate and public sector organisations and recommended by the Office of Government Commerce. The main objective for the Council in using the Purchasing Card Visa programme is to generate significant savings by reducing paperwork and administration time, as well as the effort involved in processing requisitions, purchase orders and invoices for low value, high volume goods and services.
- 4.2 Mr. Clement was Leader of Bexley Council for the period May 2006 until May 2008 and was allocated a Purchasing Card, at his request. As Leader of the Council, he was keen to promote Bexley's interests beyond the borough boundaries and, as a consequence, he attended many meetings outside Bexley, such as the Leaders Committee of London Councils; when he took up a position on the executive of London Councils he needed to travel regularly to meet his commitments. He signed the Purchasing Card Terms and Conditions on 2 July 2007 and from this date until the time that he left the Council to take up the position of Deputy Mayor for Government and External Relations on 6 May 2008 the total amount transacted was £4,167 of which personal expenses £1,220 were subsequently repaid (because it was personal expenditure).
- 4.3 The request for a Purchasing Card was approved by the then Acting Chief Executive and Director of Finance (ACE & DF), Mr. David Berry, who viewed this request as not unreasonable in terms of business convenience and streamlining administrative processes. Mr. Berry's expectation was that the card would be used for normal business purposes associated with a Leader of the Council, such as travelling, subsistence, seminar and conference expenses.
- 4.4 This was the first and only issue of a Purchasing Card to a Member; reimbursable expenses are normally processed via the Members' Allowances Scheme. As will be seen from the findings of this report there have been failings as a direct result of a lack of clarity and guidance in the usage of this particular card.
- 4.5 It is noted that, ancillary to this report, Members have commissioned a Scrutiny Review of the Purchasing Card scheme and this will be reported to the meeting at Finance and Corporate Services Overview & Scrutiny on 7th October 2009.

5. **Detailed Findings**

- 5.1 The Council's Purchasing Card scheme for officers incorporates a set of checks and balances and a segregation of duties between the various individuals involved in card management. Separate individuals are identified for card programme responsibilities relating to request, authorisation and execution. All expenditure reports and associated receipts must be reviewed and approved by the cardholder's direct line manager.

As this was the first time that a card was given to a Member an attempt was made to replicate the segregation of duties to a similar standard. This involved Mr. Clement's Personal Assistant (PA) coding expenditure and the Member Services Manager replacing the line manager as authoriser.

It is clear, however, that in this case the checking and authorisation process was not

robust enough to enable questions to be asked about expenditure items, some of which may have relied which relied on the Leader's judgement. The normal practice for officers is for a Card Holder's manager to review card transactions and carry out checks as stringent as those they would carry out for invoices, i.e. in accordance with the Council's Code of Financial Procedures.

The issue of a card to a Council member was a unique event at Bexley and although there was a process whereby the PA to the Leader reviewed, and the Member Services Manager authorised, transactions, in hindsight the authority of a Leader of the Council may well have been such that it was difficult to question individual items. The Leader was not accountable to the Member Services Manager in the same way as an officer is to a Line Manager. This was particularly difficult as there was a lack of guidance as to the intended use of the card. Neither of the officers mentioned considered it their role, nor was it necessarily intended that it should be, to monitor the amount and type of expenditure on the card. Personal expenditure was, however, questioned when clear that it was not on official business.

An authorisation process involving a senior officer of the Council such as the Chief Executive or the Director of Finance would have significantly strengthened the control and monitoring of the use of the card. In addition, a clear policy setting out limits and the criteria for incurring expenditure on hospitality and out of pocket expenses was required.

- 5.2 There is evidence that the card had been misused, in contravention of the Council's rules, as detailed below. Some of this misuse may have occurred unwittingly given a lack of clarity over the agreed purposes of the card and how it should be used. However, in other cases, with particular reference to the use of the card for personal expenditure, there were clear guidelines which were signed up to by Mr. Clement and which were not adhered to.
- 5.3 The Council's Purchasing Card Statement of Use, signed by Mr. Clement, is clear that personal expenditure is not permitted; Mr. Clement did utilise the card for such expenditure, although all amounts considered to be such were settled by him after card statements were received.

On the first occasion that personal expenditure occurred – an amount of £364.31 for an hotel bill in Cologne in December 2007- an email was seen dated 3 January 2008 from the Leader's PA to Procurement which stated:

"The Leader rang me this morning to let me know that unfortunately whilst he was away after the break he inadvertently gave the wrong credit card to pay his hotel bill and they would not let him cancel and let him pay on his own card as the transaction had begun. He is full of apologies, has the receipt and wants to know how he goes about paying the bill personally"

Correspondence was seen confirming repayment by cheque dated 8 January and receipted on 15 January. The action taken appears reasonable, given the facts as understood at the time. Mr. Clement himself drew attention to the original expenditure and therefore there were indications that this was a genuine error with the amount being repaid promptly.

However, the above assumption cannot be made for the remaining 9 items, which total £855.96 over a period from 5 March 2008 to 4 May 2008. At the time, staff, whilst not comfortable with the Purchasing Card arrangement, did question the expenditure at the authorisation stage and sought repayment from Mr. Clement. Mr. Clement has stated that he had a cheque ready and that nobody had to chase him. Whilst he acknowledged that he had not complied with the terms and conditions he stated that he had not done anything illicit and used the only card that was in his wallet at the time.

- £201.29 appeared on the April statement for expenditure incurred in March;

this was settled by a personal cheque dated 14 April 2008 and receipted on 16 April.

- £654.67 appeared on the June statement after Mr. Clement had left. This was settled by a personal cheque dated 12 June 2008, which was receipted on 23 June 2008.

5.4 Purpose of the Card

There was a lack of clarity over what the card could and should have been used for. The card was approved by Mr. Berry, who was Acting Chief Executive and Director of Finance. Mr. Berry viewed this request as not unreasonable in terms of business convenience and streamlining administrative processes. He considered that the card would be used for normal business purposes associated with a Leader of the Council, such as travelling, subsistence, seminar and conference expenses. The Head of Procurement recalls that the card was to be used for business expenses. However, the administrative arrangements were given to other officers to implement and it is clear that reimbursement of "out of pocket" business expenses was considered to include hospitality. A budget of £1000 was established. In this context, "hospitality" may be deemed as the entertainment of business associates in the furtherance of the Council's interests. Mr. Clement feels strongly that Bexley had suffered from a lack of profile in the past and that networking with others of influence was one way of raising the Council's profile in London.

However, it is clear from examination of expenditure on the card that items did not solely relate to hospitality and there were a number that would normally have been claimed back under a totally separate process – namely the Members' Allowances Scheme. When the card was used for items under the Members' Allowances Scheme this bypassed the normal reimbursement system which other Councillors are subject to. The Allowances Scheme has clearly laid down limits, is processed via the Payroll system and ensures that reimbursable expenditure complies with rules laid down by Her Majesty's Revenue and Customs. It also requires approval by the Member Services Manager on completion of a signed form providing more detail. This is not to say that a compensating system could not have been put in place to deal with such issues, but during the time that the Purchasing Card arrangement was operating this was not the case. Mr. Clement has stated that he did not think about whether expenditure fell within with the Members Allowances Scheme and that he had not been given guidance on the card use or how it linked to the Scheme.

- 5.5 There was no clear guidance on hospitality given by Bexley to Mr. Clement, e.g. on limits or type of expenditure. London Councils, upon which Mr. Clement had an executive position, have a clear policy which has recently been amended to include limits on spending, and which, except in exceptional circumstances, requires advance approval of expenditure. Bexley has no such policy for hospitality and in Mr. Clement's case he was not given guidance on what was appropriate, what should be excluded, or what the approval process should be. The Purchasing Card allowed him to make his own judgments on what was acceptable and what was not.

Extract from London Council's Policy applying up to June 2009

Lunch for Contacts/Hospitality

Subject to the provisions of the Code of Conduct, reasonable meal expenses for entertaining contacts may be claimed. The Hospitality Form must be completed and is subject to prior approval from the appropriate Director, after consultation and authorisation by the Director of Finance & Administration.

Extract from London Council's Policy applying from June 2009

Hospitality - Lunch and Dinner

Subject to the provisions of the Code of Conduct, reasonable meal expenses for entertaining contacts may be claimed. The Hospitality Form should be completed and

normally prior approval from the appropriate Director sought, after consultation and authorisation by the Director of Corporate Resources.

The expectation is that all employees will normally endeavour to seek approval and complete a hospitality form in advance. However, London Councils also recognises that there will be limited occasions when there is a legitimate business need, in the interests of promoting London's case, to offer hospitality without first completing the hospitality form and /or seeking prior approval.

The hospitality form must detail all persons attending and accepting hospitality from London Councils. In all cases a fully itemised bill must be provided to validate claims; debit and credit card receipts are not sufficient.

The limit for Lunch is £20 per head inclusive of drinks;

The Limit for Dinner is £40 per head inclusive of drinks.

The cost of entertaining other London Councils staff is not normally reimbursable. Reimbursement may only be claimed where exceptional business purposes justify the expense and prior line manager approval is given.

The lack of formal guidance places the Council in a weak position in terms of control and totally reliant on the judgement of the user of the card. The current Leader of the Council has stated that no cards will be issued to Members. Should this position change then it is essential that a formal protocol is adopted.

5.6 Expenditure on behalf of London Councils

During his tenure as Leader at Bexley, Mr. Clement was elected to a position on the executive of London Councils who had their own Expenses Policy. Mr. Clement was responsible for the Crime and Public Protection portfolio; this was a remunerated post. His role was to take the lead in overseeing strategy and policy initiatives to help London boroughs build stronger and safer communities. He represented London at the highest levels and worked with Ministers and the Commissioner of the Metropolitan Police. Mr. Clement could have claimed travelling and subsistence incurred whilst on London Councils' business in his role of Crime and Public Protection portfolio holder. However, Mr. Clement was not aware of this and does not appear to have been informed of the position by London Councils.

Consequently, it was established that no claims were submitted by Mr. Clement under the London Councils' scheme. Subsistence and journeys to London Councils meetings was paid for on Mr. Clement's purchasing card. It could be argued that at least some expenditure fell under London Councils' business but diary entries held by the former Leader's P.A. are unclear as to whether visits were in furtherance of Bexley interests or London Councils' or both. Internal Audit has reviewed this as far as possible from existing records and has estimated that approximately £217 potentially could have been claimed from London Councils in travel costs alone. This matter has been raised with London Councils. However, their accounts for the period in question have been closed and they are not prepared to consider a retrospective claim.

- 5.7 Whilst the diary has been useful in verifying meetings against the Purchasing Card activities, it should be noted that it is not a full and detailed record of Mr. Clement's movements. It has been possible to use this diary, however, to validate many meeting dates and locations.

5.8 Bexley's Rules on Travel and Subsistence

The Council has a scheme of Members Allowances in accordance with the Local Authorities (Member Allowances) England Regulations 2003. The full scheme for 2007/08 is included as Annex 3.

The relevant extracts for 2007/08 are included below:

5.8.1 Travel

For travel outside the Borough the following allowances may be claimed:-

By rail - First Class rail fare

Parking fees - Actual expenditure incurred will be reimbursed.

5.8.2 Subsistence

Subsistence Allowances are payable where any elected Member of the Council incurs additional expense on refreshments to enable them to perform an approved duty (including travelling time) outside of the Borough. If the duty makes it necessary for the Member to stay away from home overnight, the subsistence allowance also covers the costs of accommodation.

The following rules apply to claims for subsistence:

- (i) Breakfast allowance - payable for any period away from normal place of residence commencing before 8am and up to 11am.
- (ii) Lunch allowance - payable for any period away from normal residence of 4 hours or more including the period between 12 midday and 2pm.
- (iii) Tea allowance - payable for any period of 4 hours or more away from normal place of residence including the period between 3pm and 6pm.
- (iv) Evening Meal allowance - payable for any period of 4 hours or more away from normal place of residence ending after 7pm.

Subsistence	Rates
Breakfast	£5.66
Lunch	£7.55
Tea	£3.08
Evening Meal	£9.66
Overnight Subsistence	£90.75 or £105.72 (for Inner London or Annual LGA Conference)

Meals Provided Free of Charge

The subsistence rates above are not payable if a meal is provided free of charge during the period to which the allowance relates.

It should be noted that the description of an overnight subsistence allowance under 5.8.2 above includes the cost of accommodation.

6 Details of queried items of expenditure

Mr Clement's Purchasing Card statements contained 122 transactions for the period in question. All expenses were subject to scrutiny. The following items were subject to detailed scrutiny as part of the investigation.

6.1 Subsistence claims when expenses had already been paid on the Purchasing Card.

The Card was used to pay for accommodation at the LGA Conference in August 2007. Mr. Clement settled the bill on 5th July 2007 via the Purchasing Card. The bill was for 3 nights accommodation at a single Bed & Breakfast rate including VAT at £105 per night (within the Members' Allowances Scheme). An additional £27.80 was charged for room service and dinner resulting in a total charge of £342.80. Mr. Clement subsequently claimed and was paid subsistence (2/07/07 to 5/07/07) of £422.88. This is in effect the Members overnight subsistence rate for 4 nights not the 3 actually taken, and would not be payable if the accommodation was already paid

for. Such allowances are meant to cover accommodation costs and so should not be payable when such costs have already been met. Further enquiries have revealed that on a further 3 occasions Mr. Clement claimed allowance when accommodation had already been provided as an integral part of the conference attended. In total this amounts to £1931.95 in over claimed allowances. Whilst the 3 claims are not related to his Purchasing Card payments they are detailed in 6.7 below:

6.2 Claims in excess of Members' Allowance

6.2.1 21/11/2007 Sofitel Hotel London Gatwick £170.37

This relates to an overnight stay at the hotel, prior to Mr. Clement catching an early morning flight to Amsterdam as part of a Thames Gateway Study Tour referred to in the previous paragraph. The amount claimed is in excess of the normal Members' Overnight Subsistence allowance. The Leader's PA and Member Services Officer were under the impression that this had been authorised by Mr. Berry. Mr. Berry does not recall authorising this but has confirmed that, in principle, he would have considered it reasonable in the circumstances. Mr. Clement cannot recall whether Mr. Berry authorised it. He gave no consideration to whether it fell within the Members Allowances Scheme. He reiterated that he had been given no clear guidance and that he chose this hotel because it had rooms available.

6.2.2 04/07/2007 Opus Restaurant Ltd £53.38

This would appear to relate to a meal taken whilst attending the LGA Conference in addition to paragraph 6.1 above and is in excess of the rates paid under the Members' Allowances Scheme. Mr. Clement said that a number of Council Leaders attended of which he was one.

6.2.3 23/04/2008 Park Plaza County Hall Hotel £154.32
Taxi £10.58
Single Rail Ticket £ 4.80

This relates to an overnight stay at this hotel, after the Airtto Dinner. Airtto is an organisation which promotes networking and knowledge transfer to, amongst other aims, drive forward the UK's adoption of innovation and new technology for economic performance and socio-economic benefit.

The Chief Executive attended the AIRTO annual dinner on 22nd April at the invitation of the Chief Executive of the Thames Innovation Centre (TIC). The TIC hosted a table, consisting of Board members, stakeholders and interested parties and confirmed that Mr. Clement was present. The TIC is a member of AIRTO as this is seen as a way of positioning the organisation to attract technology industries to its premises. The chairman of AIRTO sits on the Board of TIC for the same reason.

The event was attended by several hundred people at the Stationers Hall City of London and was addressed by the president of the CBI. It finished late.

Mr. Clement's hotel charge is in excess of the normal Members' Overnight Subsistence allowance. It appears from the single rail ticket purchased on 22nd April for £4.80 that this overnight stay was planned. Mr Clement does not recall if anyone authorised this. Mr. Clement was asked why he chose this particular hotel, and if it was possible that this expenditure was 'personal' in nature and that it was intended that he would repay this sum. His PA's diary does not show any meeting in London the following day. Mr. Clement was asked to clarify the position and explain how staying at the hotel in London was for business purposes undertaken and on behalf of Bexley. He has said that he did not travel home as it was a "black tie" event and that it was not appropriate to travel home late. He cannot recall why he chose this particular hotel; he felt he may have rung other hotels but was familiar with this one, and it had

a room available. The £10.58 taxi fare to the hotel does not appear to be justified on the grounds of urgency. As Mr. Clement could have travelled home, recovery will be sought of the above sums less legitimate allowances.

6.3 Meals and refreshments paid for using the Purchasing Card

A number of meals were purchased using the card, which Mr Clement viewed as proper business expense. There is no suggestion that associates attending knew that the meal was being paid for on the Purchasing Card.

6.3.1 The following meals were taken with Councillor Merrick Cockell, Chair of London Council's:

27/09/2007	City Inn Westminster	£4.90
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The receipt is marked 'Breakfast with Merrick' (Cockell).

09/10/2007	Cafe Arlington Sth. Bridge Rd	£4.58
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The receipt is marked lunch, although it was in respect of 2 coffees.

11/10/2007	Med Kitchens Restaurant	£55.01
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The receipt is marked 'M Cockell'.

15/10/2007	The Table	£17.00
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The receipt is marked 'M Cockell'.

01/04/2008	Cafe Arlington Sth. Bridge Rd	£3.94
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The receipt is marked 'Merrick Coffee'.

Councillor Cockell has confirmed these meetings and that they were discussing London Councils business.

6.3.2	16/07/2008	Ferraris	£44.72
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Mr. Steve Nelson – Principal Director of South East London Chamber of Commerce at the time confirmed that he did have lunch to discuss how the Council and Chamber could work closer in partnership. He states that it was in his diary as having commenced at 1.00 PM and that they were there for an hour or so.

6.3.3	14/09/2007	Zizzi	£30.75
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This meal was held with Mr. Tony Hughes of Hay Consulting. Mr. Hughes confirmed that he had lunch at Zizzi in Bexley with Mr. Clement on the above date. He states his diary shows that the meeting, to discuss the Review of the Senior Management Structure at the Council, was scheduled to begin at 12.00pm but Mr. Hughes says that he was late arriving. He cannot be specific about timings - he was at the LGC conference in Marlow that morning and the M25 had been closed and he had to divert via the A3 and South Circular Road and probably did not arrive in Bexley until around 13.30pm.

6.3.4	13/10/07	Marriot	£7.60
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Soft drinks purchased at London Councils' Fundamental Review, held at the Bexleyheath, Marriot.

6.3.5	22/10/2007	Ferraris	£23.57
	Mr. O'Brien – Chief Executive of London Councils confirmed that he did have lunch with Mr. Clement when he made an introductory visit to him in October 2007.		
6.3.6	10/11/2007	Costa Ludgate Hill	£10.20
	Mr. Clement was an invited guest at the Lord Mayor's Show and purchased 4 coffees.		
6.3.7	11/11/2007	Ferraris	£134.44
	<p>The Mayor and Mayoress receive a number of requests to attend events across the Borough on Remembrance Sunday. This is in addition to the Remembrance Service and Parade organised by the Mayor's office for the morning of Remembrance Sunday. Traditionally, the Deputy Lieutenant (DL) for the Borough, and his wife, join the Mayor and Mayoress for the day. The DL and Mayor are collected from home in the official car because the Mayor is in full robes and the DL is in full uniform.</p> <p>They attend the events throughout the day, finishing at around 5.30pm in the evening. The Mayor, Mayoress, DL and wife lunched at a local restaurant before moving on to the next event. The cost of this lunch would normally be paid by the Council. On Remembrance Sunday, Mr. Clement and his partner joined the lunch because he was also attending the various events across the Borough. The cost of lunch was charged to Mr. Clement's Purchasing Card.</p>		
6.3.8	28/11/2007	Birley Sandwiches	£22.20
	Mr. Clement was attending the Thames Gateway Forum event. He purchased refreshments for himself, the Deputy Director-Strategic Planning and Regeneration and Head of the Regeneration Unit, whilst they were attending. The officers were unaware that this was purchased on a Council Purchasing Card.		
6.3.9	28/11/2007	Aura Events (UK Ltd)	£9
	This was in respect of bottles of water at the Thames Gateway Forum Dinner held that day.		
6.3.10	30/11/2007	Le Pont De La Tour	£86.40
	<p>This was a lunch with the former Chief Executive, Mr. Johnson.</p> <p>Mr. Johnson confirmed that he was invited to have lunch with Mr. Clement on that day at the above restaurant. Mr. Clement had called Mr. Johnson earlier to say that he and his cabinet colleagues had wanted to thank Mr. Johnson for the twenty years service he had given to the Borough, and they were sorry that there had not been the opportunity to do this at a formal reception.</p>		
6.3.11	11/12/2007	Jill Bartlett and Co Ltd at City Hall	£12 and £5
	This was in respect of refreshments purchased for himself and Mr. Berry, the Acting Chief Executive whilst on Council Business at City Hall.		
6.3.12	01/02/2008	Le Pont De La Tour	£109.35
	This was a lunch with Mr. Tuckley, Chief Executive designate.		

Mr. Tuckley confirmed that, at Mr. Clement's invitation, they met for lunch on 1st February, Mr. Clement choosing the restaurant. At the time Mr. Tuckley had been appointed as the new Chief executive, had accepted the post and resigned from his position as Deputy Chief Executive of LB Croydon but had not yet formally joined Bexley (this was not until 31st March). The reason for meeting was to discuss how Mr. Tuckley might carry out his new role, how they would work together and the immediate priorities to address at Bexley. Mr. Tuckley does not have a record of the duration of the lunch but can confirm it was a lunchtime appointment. He also confirmed that he offered payment but that Mr. Clement insisted on paying. Mr. Tuckley stated that he was unaware the cost was being met on a Purchasing Card from Bexley.

6.3.13 19/02/2008 Le Pont De La Tour £83.19

This related to a lunchtime meeting with Ms. Butts, Deputy Chair of the Metropolitan Police Authority. Ms Butts stated that they met in a professional capacity as they were at the time both members of the London Youth Crime Prevention Board.

6.3.14 21/02/2008 Ferraris £27.34

This was a lunch with Janet Smith of the Bexley Voluntary Service Council. She confirmed that she had lunch with Mr. Clement on the 21st February 2008 at Ferraris in Bexley Village. There had been some issues between the Council and the Voluntary Sector that they wished to discuss. Mr. Clement suggested that they did this over lunch and he suggested Ferraris in Bexley Village. The meal started at 12.30pm and lasted about 2 hours. They discussed the issues over the meal. Ms Smith stated that at the end of the meal she offered to personally contribute to the bill but Mr. Clement said that he would pay it.

6.3.15 26/02/2008 Ferraris £68.85

Ms Suzanne Foe – President, South East London Chamber of Commerce at the time confirmed that she met with Mr. Clement at Ferraris in Bexley for lunch - approximately 1pm to 2.30pm. Ms Foe sits on the Bexley Partnership Board as Business Representative for the South East London Chamber of Commerce. She believed Mr. Clement was "newish" to his role, as was she and stated that Mr. Clement invited her to lunch as a 'get to know you' session and to discuss how the Council could increase partnership working with the Chamber.

6.3.16 28/02/2008 Café Noir £16.05

This related to a lunch with Mr. Tuckley & Councillor Perrior.

Mr. Tuckley confirmed that he met with Cllr Perrior and Mr. Clement on 28th February at Café Noir in Westminster. This was a briefing meeting organised at Mr. Clement's request prior to a presentation to Members and senior officers from London Boroughs provided by senior Metropolitan Police commanders on the work of their specialist divisions, hosted by the Deputy Commissioner (now Commissioner). Mr. Clement was the London Councils' executive member for crime and disorder and hence had a pivotal role in working with the police across the capital as well as representing Bexley's interests. Cllr Perrior is Bexley's lead in this area and she and Mr. Tuckley were able to ensure Mr. Clement was aware of key issues in a suitable setting away from the main presentation. Mr. Tuckley then attended the presentation to which he had been invited in his capacity as Deputy Chief Executive of Croydon, responsible for community safety in the borough.

6.4.17 11/03/2008 Le Pont De La Tour £92.14

This was a lunch with Councillor Brennan, Leader of Sutton Council.

Councillor Brennan confirmed that he did meet with Mr. Clement on 11 March 2008 at Le Pont De La Tour Restaurant, London SE1 between 1:30 pm – 2:30 pm (approximately). The purpose of the meeting was both in a business and personal capacity as they were both part of South London Partnership Group. During this lunch they had a wide ranging conversation comparing notes on two high achieving Councils as well as discussing the political situation in London.

6.3.18 10/04/2008 Livebait £159.02
(part of Chez Gerard Group)

On 10th April 2008 £159.02 was spent on an evening meal at Livebait (part of the Chez Gerard group). This meeting was one of a regular series of meetings between the Leader, Cabinet member, Borough Commander and the Assistant Director (Community Services) Maureen Holkham to consider community safety issues in the borough. The Assistant Director confirmed that these were normally held in Bexley, but at the time the former Leader was a key part of the mayoral election campaign and had less time than usual to spend in the borough.

Throughout March a meeting in Bexley was attempted to be scheduled that everyone could make but it was stated that this proved impossible. The former Leader therefore asked the three other parties if they would mind attending a meeting in central London. They agreed because it was stated that this was the only way in which the discussion could take place. Mr. Clement is recorded in the minutes as attending the London Youth Crime Prevention Board meeting, held in SW9, between 10am and 12.30pm earlier that day.

The meeting was scheduled for Thursday 10 April. The Assistant Director was on leave that week, but the 10th was the only date that all four parties could make and therefore she attended in her own time.

The venue was Livebait near London Bridge. The parties met at 7.30pm and left the restaurant before 9.30pm. The Assistant Director recalled the discussion was around crime issues in the borough, priorities for the BCSP, progress with the partnership, etc. At the end of the meal everyone offered to pay for themselves. The former Leader insisted that he would pay because the remainder had been inconvenienced by having to come into central London. Mr. Clement paid the bill using the P card. The Assistant Director assumed that he was paying personally; at no time was it suggested that Mr. Clement would be claiming the cost as expenses.

The Borough Commander has provided the following information:

He recalls being on duty in Bexley from about 8am till 6pm. He had a number of meetings with police officers, council staff and members of the community. These meetings were at Bexleyheath police station, the LBB Civic Centre, and the LBB offices at Hillview. This particular meeting was a standing monthly meeting to discuss community safety. This meeting is essential to ensure effective partnership working and critical incident management. They had not been able to meet for a considerable time. At Councillor Clement's suggestion, they met in Livebait near Waterloo at 7.30 pm, as both he and Councillor Perrior were working in central London, and there was no other date on which we could arrange this necessary meeting.

At the end of the meal, he offered to pay his share, but Councillor Clement was insistent that he would pay. He recalled that this was because he felt he had inconvenienced them by asking them to join him in central London. In order to reciprocate his hospitality, he later invited Mr Clement to dinner, for which he would have paid personally, but it was not possible to arrange a suitable date. He confirmed

that he recorded the meeting in his hospitality register.

6.4 Peak Travel Tickets

Bexley's Members' Allowances Scheme allows Members to claim for the actual expenditure incurred on rail travel outside the Borough. For the following items of expenditure, a peak time rail ticket was purchased (£13.80) although it would appear that the meeting attended, on behalf of Bexley, may have been later in the day.

Most of the information about the meetings has been obtained from Mr. Clements's PA's diary. However, it is acknowledged that this is not a definitive record of all of his movements at this time. Mr. Clement cannot recall each day but has stated that he would meet other colleagues on London Councils or Bexley business which would not be recorded. There is no evidence to dispute such an assertion and recovery of the difference between the peak and off peak costs is not considered appropriate.

6.4.1 31/01/2008 London & SE Rail £13.80

The PA's diary indicates that a meeting re the MPA was held around 3.45pm.

6.4.2 01/02/2008 London & SE Rail £13.80

The PA's diary indicates that Mr. Clement's lunch with Will Tuckley at Le Pont De La Tour was booked for 1pm. The sales voucher is marked 'Lunch Will Tuckley New CE'.

6.4.3 19/02/2008 London & SE Rail £13.80

The PA's diary indicates that the lunch and meeting with Cindy Butts, Deputy Chair, MPA was scheduled for 1.30pm. The sales voucher is marked 'Cindy Butts MPA'.

6.4.4 20/02/2008 London & SE Rail £13.80

The sales voucher is marked Vital Vision and the PA's diary refers to 'BT thing'. However, this meeting was scheduled between 12.30pm and 2.30pm.

6.4.5 28/02/2008 London & SE Rail £13.80

The sales voucher is marked Protective Services Briefing @ NSY, although the PA's diary indicates that this was an afternoon meeting. In addition, the diary indicates a lunch with Will Tuckley and Katie Perrior, but this was scheduled for 12.30pm.

6.4.6 04/03/2008 London & SE Rail £13.80

The sales voucher is marked City of London dinner. The PA's diary indicates that there were no meetings attended on behalf of Bexley until the evening, when the dinner was held at the 'Gherkin'.

6.4.7 17/03/2008 London & SE Rail £13.80

The sales voucher is noted that it was purchased in order to attend the Gateway to London Board Meeting on the 18th March. However, it would appear from the PA's diary that this meeting was scheduled for 4pm.

6.5 Meetings which are unable to be verified

6.5.1 15/01/2008 London & SE Rail £13.80

The receipt for this is marked TGSP, but the PA's diary indicates that Mr. Clement may not have attended this meeting. Mr. Clement cannot recall.

6.5.2. 16/03/2008 London & SE Rail £13.80

The rail ticket was purchased in advance and is marked 'LC Exec'. However, Mr. Clement did not attend the London Councils' Executive meeting on the 17th. Mr. Clement is not aware that he did not attend and cannot recall the day in particular. The ticket was purchased the previous day and it is not clear when the receipt is marked.

6.5.3 19/03/2008 London & SE Rail £13.80

The public list of Mr. Clement's expenditure stated that this was for a meeting with the Leader of Camden which was in the P.A's diary. The Leader of Camden says that he did not meet that day. The receipt states Licensing meeting. Mr. Clement has been asked to explain and confirmed that he did not meet with the Leader of Camden Council but cannot recall further in view of the many meetings he has attended.

6.6 Meetings and associated expenditure potentially relating to party political activity

6.6.1 Payment on the Purchasing Card.

On 28th August 2007 Mr. Clement dined at Ferraris; the expenditure was £53.61. This evening meal was held with Mr. Cleverly. Although Mr. Cleverly does not have a specific diary record of that period he does remember having dinner with Mr. Clement at that restaurant around that time. They discussed a wide range of issues from personal to professional. Mr. Cleverly was unaware at the time that the dinner was paid for with the purchasing card.

Because no notes were taken by either of the parties, Mr. Cleverly can only go from memory. He believes they discussed the Cross Rail going to Ebbsfleet, young people on buses around Bexleyheath, and changing the attitude at City Hall that Bexley is a comfortable, suburban borough that needs no support. There were probably other issues but Mr. Cleverly stated that it would be impossible for him to say what else was discussed with any certainty. Legal advice has been obtained on this issue and no further action is required.

6.6.2 On 2nd April 2008 Mr. Clement attended a meeting in SW1 with Ms. Crawford, Chief Executive to the Metropolitan Police Authority. A travel ticket was purchased for £13.80 on the Purchasing Card. Ms. Crawford has said that, from memory, the meeting was to discuss with Mr. Clement and Mr. Boles (a member of Boris Johnson's campaign team, seconded, she believes, from Conservative Central Office) the role of the Metropolitan Police Authority, the constitutional status of the authority and the implications for any incoming mayor of the change in legislation which allowed the Mayor, for the first time, to chair the police authority. Mr. Clement did hold an Executive position on London Councils with a relevant portfolio at the time. Legal advice has been obtained on this issue and no further action is required.

6.7 Subsistence claims when expenses had already been paid by the Council (not on the Purchasing Card)

BT Vital Vision

The BT Vital Vision Programme has been running for a number of years; their aim is to explore current business thinking via the involvement of Senior Government decision makers, BT research partners and leading academic institutions from the USA. The programme is typically attended by senior leaders from across the various public sector disciplines. BT Vital Vision funds the event itself plus a range of accompanying peripheral activities during the event. It is for delegates to fund their own travel and accommodation arrangements, along with any expenses incurred

during 'free time' sessions for the duration of the course. The Council funded Mr Clement's accommodation and travel costs.

6.7.1 The accommodation costs for Mr. Clement's visits to Boston (28/04/07 – 04/05/07) and San Francisco (26/10/07-02/11/07) in the USA, were paid by the Council following invoices from the Lloyd organisation. However, Mr. Clement also claimed overnight subsistence allowances for the same periods.

6.7.2 The Members' Allowances Scheme provides for a claim of £90.75 per overnight stay but this does not apply if the Council has alternatively funded the costs of the overnight stays via the conference fee. The following was claimed:

- Vital Vision Leadership course (Boston) 28/04/07 - 04/05/07 (inclusive) 6 nights at £90.75 = £544.50
- Vital Vision Leadership course (San Francisco) 26/10/07 - 02/11/07 8 nights at £90.75 = £726

6.7.3 There was additional expenditure on the Purchasing Card during the BT Vital Vision Leadership course in San Francisco. Mr. Clement stated that he mislaid these receipts and was asked to confirm the purpose of this expenditure (listed below):

31/10/2007	Carnelian Room	£57.28
03/11/2007	Huntington Hotel (San Francisco)	£31.15
03/11/2007	Huntington Hotel (" ")	£2.14
		(Total £90.57)

Mr. Clement could not recall who exactly attended but said that, at the meals taken, there would have been others who were attending the course. These have been taken into account in Annex 2.

6.7.4 British Netherlands Chamber of Commerce

The British Netherlands Chamber of Commerce (BNCC) laid on an event to promote 'innovative and sustainable construction' initiatives. This event was fully funded by BNCC in terms of the event itself, and also included flights, accommodation and full board.

The visit to the Netherlands via the Thames Gateway London Partnership on 21/11/07 – 23/11/07 was fully funded by The Netherlands British Chamber of Commerce. However, Mr. Clement claimed the overnight subsistence for 3 days at £90.75 = £272.25, which should not have been claimed as accommodation and meals were included in the visit.

From the itinerary supplied by the Thames Gateway London Partnership the trip was scheduled for a departure from the UK on Tuesday 20th November and return on 22nd November although this was adjusted for Mr. Clement to the 21st – 23rd November 2007.

6.7.5 Recovery of the above sums will be sought after deducting legitimate allowances.

7. **Recommendations**

Findings		Recommendations	
7.1.	<p>This report has identified overnight subsistence allowances relating to the LGA conference amounting to £422.88, plus expenditure on the Purchasing Card of £27.80, which have been paid to Mr. Clement when accommodation was already paid for on Mr. Clement's Purchasing Card. Mr. Clement would have been entitled to claim some allowances of £28.98 and these have been deducted from the amount to be recovered.</p> <p>This report has also identified overnight subsistence allowances of £1,270.50, plus expenditure of £90.57 on the Purchasing Card, paid to Mr. Clement in respect of the BT Vital Vision course. However, the costs of Mr. Clement's accommodation were paid separately to the Course Organiser by the Council. Mr. Clement would have been entitled to claim some expenses of £97.12 however, and these have been deducted from the amount to be recovered.</p> <p>This report has also identified overnight subsistence allowances of £272.25 paid to Mr. Clement. This was in respect of a Thames Gateway partnership visit to Holland. The costs were met by separately by the Netherlands British Chamber of Commerce. Mr. Clement would have been entitled to claim some expenses of £25.95 however, and these have been deducted from the amount to be recovered.</p> <p>Such allowances are to compensate Members for additional expenditure incurred. The claims for a full subsistence allowance were, therefore, inappropriate.</p>	7.1.1	The Council should seek to recover £421.70 from Mr. Clement in respect of the LGA Conference.
		7.1.2	The Council should seek to recover £1,263.95 in respect of the BT Vital Vision overnight allowances and £246.30 in respect of the Netherlands study tour overnight allowances.
		7.1.3	Claim forms should be redesigned so that where an overnight subsistence allowance is claimed there is a clear statement that accommodation has not been separately arranged and paid for by the Council.
7.2	The overnight stay and taxi at the Park Plaza on the 22 nd April is not adequately justified in terms of	7.2	The Council should seek to recover £155.90 from Mr. Clement in respect of this overnight stay.

	business use. Even if the stay was justified the choice of hotel would have been in excess of the Scheme of Member's Allowances, and the use of the taxi cannot be justified.		
7.3	The overnight stay at the Sofitel Hotel, Gatwick at a cost of £170.37 may have been authorised in principle, however, the amount is in excess of the Members Allowance Scheme rate of £90.75 and was not centrally booked.	7.3	Whilst Mr. Clement has claimed in excess of the Members allowances he states that this was the only hotel available. The Council is in a difficult position to seek recovery of the sums involved. There is some doubt as to whether this had been pre-approved by the Acting Chief Executive and Mr. Clement was not informed of the need to keep such expenditure consistent with the Members Allowances Scheme. No further action is advised.
7.4	The use of the Purchasing Card for Mr. Clement was set up without a clear framework to guide him, or those staff involved in monitoring expenditure. Whilst there was an attempt to replicate the segregation of duties already in place for officer Purchasing Cards, this arrangement did not work in the case of the former Leader. In addition to the lack of clarity, the staff were not clear that it was their role to question the Leader's judgements.	7.4.1 7.4.2	The Leader has stated that no further Cards will be issued to Members. Should a future administration change its policy a clear guidance and protocol should be established. The Director of Finance should review the future arrangements for checking and authorising Members Allowances.

ANNEX 1

The following expenses were incurred by Mr Clement on his Corporate Purchasing Card;

Date	Supplier	Description	Gross Amount
01/07/2007	Virgin Trains	LGA Conference, Birmingham	201.00
02/07/2007	London & SE Rail	LGA Conference, Birmingham	13.40
04/07/2007	Opus Restaurant Ltd	LGA Conference, Birmingham	53.38
05/07/2007	Novotel Birmingham City C	LGA Conference, Birmingham	342.80
16/07/2007	Ferraris	Lunch with Steve Nelson, Chamber of Commerce	44.72
28/08/2007	Ferraris	Lunch with James Cleverly AM	53.61
13/09/2007	London & SE Rail	London Councils	13.20
14/09/2007	Zizzi	Lunch with Hay Consulting (Tony Hughes)	30.75
27/09/2007	Cafe Noir	Meeting with Odgers re Chief Executive Appointment	3.90
27/09/2007	London & SE Rail	Meeting with Odgers re Chief Executive Appointment	13.20
27/09/2007	City Inn Westminster	Meeting with Odgers re Chief Executive Appointment	4.90
05/10/2007	London & SE Rail	Meeting with Boris Johnson	13.20
08/10/2007	London & SE Rail	London Youth Community Safety Ptnship	13.20
09/10/2007	London & SE Rail	London Councils	13.20
09/10/2007	Cafe Arlington Sth Br Rd	London Councils	2.39
09/10/2007	Cafe Arlington Sth Br Rd	London Councils	4.58
11/10/2007	Med Kitchens Resta	Lunch with Merrick Cockell	55.01
11/10/2007	London & SE Rail	London Councils	13.20
12/10/2007	London & SE Rail	London Councils	13.20
13/10/2007	Marriott	London Councils	7.60
14/10/2007	London & SE Rail	London Councils	13.20
15/10/2007	The Table Southwark LT	London Councils	17.00
15/10/2007	Cafe Arlington Sth Br Rd	London Councils	3.39
18/10/2007	Pret A Manger 048	Meeting with David Ruffley MP	2.85
18/10/2007	London & SE Rail	Meeting with David Ruffley MP	6.70
18/10/2007	London & SE Rail	Meeting with David Ruffley MP	4.60
18/10/2007	London & SE Rail	Meeting with David Ruffley MP	-4.60
22/10/2007	Ferraris	Lunch with John O'Brien, London Councils	23.57
24/10/2007	Cafe Noir	London Youth Community Safety Ptnship	4.45

24/10/2007	London & SE Rail	London Youth Community Safety Ptnship	6.70
31/10/2007	Carnelian Room	BT Vital Vision	57.28
03/11/2007	Huntington Hotel	BT Vital Vision	31.15
03/11/2007	Huntington Hotel	BT Vital Vision	2.14
05/11/2007	London & SE Rail	London Councils	13.20
05/11/2007	Cafe Arlington Sth Br Rd	London Councils	3.64
08/11/2007	Cafe Noir	Meeting with Dave Wetzel, TFL	3.70
08/11/2007	London & SE Rail	Meeting with Dave Wetzel, TFL	13.20
09/11/2007	London & SE Rail	London Youth Crime Prevention Board	6.70
09/11/2007	Taxis	London Youth Crime Prevention Board	14.60
10/11/2007	Costa, Ludgate Hill	Lord Mayors Show	10.20
11/11/2007	Ferraris	Remembrance Day Lunch - Mayor/Deputy Lieutenant	134.44
13/11/2007	London & SE Rail	London Councils	13.20
19/11/2007	London & SE Rail	Crime & Public Protection Forum	13.20
21/11/2007	S'Tel LGW Recep 04	Trip to Amsterdam - Thames Gateway	170.37
23/11/2007	NCP Limited	Trip to Amsterdam - Thames Gateway	60.60
26/11/2007	The Bagel Street	London Councils	4.70
26/11/2007	London & SE Rail	London Councils	13.20
28/11/2007	Birley Sandwiches	Thames Gateway Forum - 2 Day Event	22.20
28/11/2007	Aura Events	Thames Gateway Forum - 2 Day Event	9.00
28/11/2007	London & SE Rail	Thames Gateway Forum - 2 Day Event	6.70
29/11/2007	DLR Custom House	Thames Gateway Forum - 2 Day Event	6.70
29/11/2007	London & SE Rail	Thames Gateway Forum- 2 Day Event	13.20
30/11/2007	Le Pont De La Tour	Lunch with Nick Johnson	86.40
03/12/2007	London & SE Rail	Meeting with Judith Armitt, TGLP	13.20
03/12/2007	London & SE Rail	Meeting with Police Authority	13.20
04/12/2007	Marks & Spencer Simply	Meeting with Police Authority	6.60
11/12/2007	Jill Bartlett and Co L	London Councils	12.00
11/12/2007	Jill Bartlett and Co L	London Councils	5.00
11/12/2007	London & SE Rail	London Councils	13.20
12/12/2007	The Bagel Street	London Youth Community Safety Ptnship	6.99
12/12/2007	London & SE Rail	London Youth Community Safety Ptnship	13.20
17/12/2007	London & SE Rail	Meeting with Odgers	6.70
03/01/2008	London & SE Rail	Meeting with Richard Barnes, GLA	7.00

04/01/2008	London & SE Rail	Meeting with David Ruffley MP	13.80
06/01/2008	London & SE Rail	Meeting - Policing & London Government	13.80
10/01/2008	London & SE Rail	Meeting - Olympic Security Briefing	13.80
15/01/2008	London & SE Rail		13.80
18/01/2008	London & SE Rail	London Councils	13.80
21/01/2008	London & SE Rail	Meeting at House of Lords	13.80
31/01/2008	Cafe Noir	Meeting at MPA	4.55
31/01/2008	London & SE Rail	Meeting at MPA	13.80
01/02/2008	Le Pont De La Tour	Lunch with Will Tuckley	109.35
01/02/2008	London & SE Rail	Lunch with Will Tuckley	13.80
04/02/2008	London & SE Rail	London Councils	7.00
04/02/2008	Starbucks Coffee Co	London Councils	4.25
08/02/2008	London & SE Rail	London Councils	13.80
08/02/2008	Starbucks Coffee Co	London Councils	3.60
11/02/2008	London & SE Rail	London Councils	13.80
12/02/2008	London & SE Rail	London Councils	13.80
19/02/2008	London & SE Rail	Meeting with Cindy Butts, Deputy Chair, MPA	13.80
19/02/2008	Le Pont De La Tour	Meeting with Cindy Butts, Deputy Chair, MPA	83.19
20/02/2008	London & SE Rail		13.80
21/02/2008	Ferraris	Lunch with Janet Smith, BVSC	27.34
24/02/2008	London & SE Rail	London Councils	13.80
25/02/2008	Neds Noodle Bar	London Councils	9.60
26/02/2008	Ferraris	Lunch with Suzanne Foe, Chamber of Commerce	68.85
28/02/2008	Cafe Noir	Coffee with Will Tuckley/Katie Perrior - Police Briefing	16.05
28/02/2008	London & SE Rail	Coffee with Will Tuckley/Katie Perrior - Police Briefing	13.80
04/03/2008	London & SE Rail	London Councils	13.80
05/03/2008	Starbucks Coffee Co	Meeting with David Ruffley MP & Merrick Cockell	4.40
05/03/2008	London & SE Rail	Meeting with David Ruffley MP & Merrick Cockell	13.80
10/03/2008	Starbucks Coffee Co	London Councils	3.75
11/03/2008	London & SE Rail	Meeting with Sean Brennan, Leader, Sutton	13.80
11/03/2008	Starbucks Coffee Co	Meeting with Sean Brennan, Leader, Sutton	2.40
11/03/2008	Le Pont De La Tour	Meeting with Sean Brennan, Leader, Sutton	92.14
16/03/2008	London & SE Rail	London Councils	13.80
17/03/2008	Costa, Waterloo	London Councils	3.40

17/03/2008	London & SE Rail	Meeting - Gateway to London	13.80
19/03/2008	London & SE Rail	Meeting with Leader of Camden	13.80
20/03/2008	London & SE Rail	London Councils	13.80
01/04/2008	London & SE Rail	London Councils	13.80
01/04/2008	Starbucks Coffee Co	London Councils	4.15
01/04/2008	Cafe Arlington Sth Br Rd	London Councils	3.94
01/04/2008	Cafe Arlington Sth Br Rd	London Councils	2.19
02/04/2008	London & SE Rail	Meeting - Chair, MPA	13.80
10/04/2008	London & SE Rail	Meeting - Gol	13.80
10/04/2008	Chez Gerard 203	Lunch with Tony Dawson, Katie Perrior & Maureen Holkham	159.02
15/04/2008	London & SE Rail	London Youth Community Safety Ptnship	13.80
22/04/2008	Xeta	Airto Dinner	10.58
22/04/2008	London & SE Rail	Airto Dinner	4.80
23/04/2008	Park Plaza County Hall Ho	Airto Dinner	154.32
28/04/2008	London & SE Rail	London Councils	13.80
			2,946.58

The following personal expenses were charged by Mr Clement to his Corporate Purchasing Card & were fully reimbursed by him;

Date	Supplier	Reimbursed	Gross Amount
28/12/2007	Excelsion Hotel Ernst	15/1/08	364.31
05/03/2008	Tesco Stores	16/4/08	6.48
12/03/2008	Starbucks Coffee Co	16/4/08	2.05
12/03/2008	The Table Southwark LT	16/4/08	4.00
12/03/2008	London & SE Rail	16/4/08	13.80
13/03/2008	London & SE Rail	16/4/08	13.80
13/03/2008	OXO Tower Restaura	16/4/08	161.16
03/05/2008	Southbank Tandoori	23/6/08	38.15
04/05/2008	Old Bexley Greek T	23/6/08	102.85
04/05/2008	Park Plaza County Hall HO	23/6/08	513.67

1,220.27

ANNEX 2

Summary of Amounts to Repay

<i>Date</i>	<i>Event</i>	<i>Spent</i>	Balance to Repay
		£	£
<u>Purchasing Card Expenses</u>			
22 April 2008	Park Plaza Hotel, night of AIRTO dinner	154.32	
	Taxi	10.58	
	Single Train Ticket	4.80	
	<i>Less: Travel Card</i>	-13.80	155.90
<i>Date</i>	<i>Event</i>	<i>Claimed/Spent</i>	Balance to Repay
		£	£
<u>Members Allowances</u>			
3-5 July 2007	LGA Conference, Birmingham	422.88	
	P-card expenditure	27.80	
	<i>Less: legitimate allowances not claimed</i>		
	3 * evening meals @£9.66	-28.98	421.70
28 April - 5 May 2007 & 26 October - 3 November 2007	BT Vital Vision Events: Boston & San Francisco, USA	1270.50	
	P-Card expenditure	90.57	
	<i>Less: legitimate allowances not claimed</i>		
	2 * breakfast @ £5.66	-11.32	
	2* lunch @£7.55	-15.10	
	1* tea @ £3.08	-3.08	
	7 * evening meals @£9.66	-67.62	1263.95
20 November - 23 November 2007	NBCC Innovative & Sustainable Construction Event, Netherlands	272.25	
	<i>Less: legitimate allowances not claimed</i>		
	1 * breakfast @ £5.66	-5.66	
	1* lunch @£7.55	-7.55	
	1* tea @ £3.08	-3.08	
	1 * evening meal @£9.66	-9.66	246.30
		Sub- total	(1931.95)
	Total to Repay		2087.85

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