

# MEMORANDUM

**From: Internal Audit & Anti-Fraud**  
Finance Directorate  
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35 Wellington Street  
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Extn: 5239

**This matter is being dealt with by: Brendan Costello**

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Date: 9th March 2023

**To: Debbie Warren,**  
**Chief Executive**

**Cc: John Scarborough,**  
**Director of Legal & Human Resources**

**Private & Confidential**

## **Results of Fact-Finding Exercise** **Labour Group Event 6th December 2022**

Internal Audit were approached on 20th February, to undertake a fact-finding exercise in relation to a potential concern that had been raised by Cllr Matt Hartley, Leader of the Opposition.

Cllr Hartley via email advised the Leader of the Council, of his intention to raise a written Members Question at the Council meeting scheduled for Thursday 23rd February.

The question asks the following:

*Will the Leader of the Council investigate concerns that taxpayer-funded RBG resource - namely, Council Officer time - was used to help organise a Labour Party political fundraising event on 6th December 2022? I understand:*

- 1. that Council Officers were asked to help the Deputy Leader organise this Labour Party fundraising event, which was attended by Angela Rayner MP, including marketing tickets to the event to prospective attendees via RBG email, and*
- 2. that Council Officers attended to help organise this Labour Party fundraising event in person – their attendance can clearly be seen in photographs published on Twitter by a Labour councillor who attended.*

*This breach represents a blatant disregard for the appropriate boundary between the Council and the Greenwich Labour Party, and it also completely unfair on the Council Officers concerned, who should never have been put in this position.*

*Will he investigate this misuse of taxpayer resources as Leader? And what steps will he take to make sure that this never happens again under his Leadership?*

## Conclusions

There is no suggestion that any of the officers spoken to by Internal Audit have acted in an inappropriate manner.

Officers volunteered to assist at a private event, organised by the Labour Group. The event was outside office hours and the officers were not remunerated for their attendance or indeed for any “duties” they carried out on the evening.

Internal Audit are mindful that the role of the officers involves providing support to the Leader / Deputy Leader of the Council.

However, given the nature of the role and the office functionality there is perhaps the potential for an inadvertent ‘blurring of the lines’ of demarcation between what represents Royal Borough of Greenwich business and that of the Labour Group.

Thus, in relation to the two concerns raised by Cllr Hartley the Internal Audit findings from the fact-finding exercise are as follows:

- 1 that Council Officers were asked to help the Deputy Leader organise this Labour Party fundraising event, which was attended by Angela Rayner MP, including marketing tickets to the event to prospective attendees via RBG email, and***

The evening was clearly a Labour Group event, the flyer was addressed “Dear Labour Women Colleagues”. It was not a Royal Borough of Greenwich event, and it is inappropriate for Council resources (a Royal Borough email account and officer time) to have been used to assist in promoting the event, which was specifically for political / labour party purposes.

When interviewed by Internal Audit, the officers stated clearly that it was they who offered to assist Cllr Lekau with the event. As a result, there is no evidence to support the allegation that ‘Council Officers were asked to help the Deputy Leader organise this Labour Party fundraising event’.

However, given the nature of the role and the office functionality there has been an inadvertent ‘blurring of the lines’ of demarcation between what represents Royal Borough of Greenwich business and that of the Labour Group.

- 2 that Council Officers attended to help organise this Labour Party fundraising event in person – their attendance can clearly be seen in photographs published on Twitter by a Labour councillor who attended.***

Internal Audit have not found an issue in this respect in regard to the officers, given that the officers state they volunteered to assist and attend, were not paid or given any time off in lieu, it was an evening event outside of the standard working day and the officers in question would have potentially been able to attend the event independently.

However, having said that Internal Audit recognise that there is also a matter of perception and whilst the officers attended in their own time, given a complaint has been received and the event was highlighted on social media there is clearly the potential risk of the perception that the Council has used taxpayers’ money to aid a political party.

Internal Audit would also highlight two further issues. During the interview with the officers, it was stated that two of the raffle prizes at the event were “Tea with the Mayor” and “Lunch with the Leader”.

Both of these posts, Mayor and Leader are formal Royal Borough of Greenwich positions and whilst the prizes may have been offered in good faith, Internal Audit is of the view it is inappropriate for these prizes to have been offered in this manner.

It is not uncommon for Mayors to hold an afternoon tea and for tickets to be sold to the general public for the event in aid of charity. However, in this instance, this was not a public event, tickets to the event were restricted via invitation only.

Again, one might argue it is a matter of perception, but in this instance, it appears the Labour Group were raffling prizes that grant the winner access to the Royal Borough Greenwich Mayor or Leader. Internal Audit understand that the prizes were advertised as tea / lunch with the Mayor or Leader, rather than tea with Cllr Fletcher or lunch with Cllr Okereke.

There is a risk that it could be perceived that the prize winner would be getting private / exclusive access to the Mayor or Leader of the Royal Borough. Indeed, it could also be perceived that the prizes themselves represent Council resources.

Internal Audit find that the Labour Group marketing access to Royal Borough of Greenwich positions to be inappropriate and is another example of the inadvertent blurring of the boundaries between what represents Greenwich Labour Group activities and the Royal Borough of Greenwich.

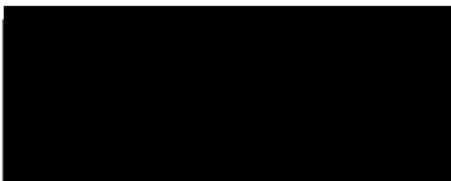
Internal Audit also find there is a further issue in relation to the Labour Group bank account. It would appear for many years the Leaders Office Manager has had the responsibility for maintaining the Labour Group bank account. This represents a third example of the blurring of the boundaries

## **Recommendations**

Internal Audit would recommend consideration is given to the roles of the officers or indeed the office functions to avoid actual, potential or perceived breaches of the boundaries between Labour Group or Labour Party activities and that of Royal Borough of Greenwich business.

During the interviews there were a number of references to the activities referred to in the findings above having taken place over many years.

Internal Audit therefore concludes that historic practices, including the examples referred to above, have built up over the years resulting in the inadvertent blurring of the boundaries between Labour Group or Labour Party activities and that of Royal Borough of Greenwich business.



**Brendan Costello**  
**Assistant Director of Finance**  
**(Financial Governance & Audit)**