

# Surrey Advertiser

Surrey Advertiser 30th April 2010 5

## Relationship with training company prompts question

QUESTIONS have again been asked about the relationship between Surrey's civil servants and a London-based training provider.

A complaint has been lodged after Guildford Borough Council's (GBC) head of corporate development Martyn Brake did not declare he was on an advisory group for Common Purpose.

The council later paid £4,025 to send an unnamed officer on the company's InsideOUT programme.

GBC has said it was not necessary for Mr Brake to declare his involvement.

Last October an internal investigation found Surrey County Council could not justify a £48,000 deal with Common Purpose to send four senior officers and 10 external delegates on a simi-

lar training course. Several senior officers, including the chief executive Richard Shaw had previously served on advisory panels and the council's normal procurement processes were waived when the agreement was struck.

While no council employees were found to have benefited financially an auditor found previous relationships with the firm had 'muddied the waters' and left the authority open to allegations of 'cronyism'. The county council said it would not send officers on future events.

Graham Roberts, who uncovered the county council's relationship with Common Purpose, has made a complaint to Guildford Borough Council

He said: "The (GBC) offi-

cers' code of conduct states that if you were working directly with an outside supplier then it should be declared.

"I believe there has been a breach of the code of conduct. This is a network of people it's very hard to get information about because a lot of it is exempt (from freedom of information legislation).

"Common Purpose are a supplier and therefore Mr Brake has not complied with the officers' code. You can't have one rule for officers and one for elected members."

Richard Lingard, GBC's chief monitoring officer, said there was no case to answer.

"They (Common Purpose) are an independent, not for profit, training organisation and not aligned to any group or local party," he said.

# £48k taxpayers' bill 'unjustified'

Exclusive by  
Richard Pain

AN internal Surrey County Council investigation has found the authority cannot justify a £48,000 deal with a firm linked to its former chief executive.

Council bosses ordered a review of Surrey's relationship with Common Purpose after it emerged that tender processes were ignored when the agreement was struck.

Last month it was revealed the council paid £41,000 plus VAT to send four senior officers and 10 external delegates on a training course.

The deal was agreed in August last year by the then chief executive, Richard Shaw, who had previously served on an advisory panel for the company's Oxfordshire operation.

The *Surrey Advertiser* has obtained a copy of lead auditor James White's restricted audit report into the agreement.

The review confirms that Mr Shaw's commitment to supporting the InsideOUT scheme was made more than two months before any approval was sought from the council's procurement department.

"There is no evidence that formally supports the requirement for the scheme or that identifies the training need for managers to attend an external leadership programme," Mr White said.

Council policy dictates that at least three quotes should be obtained for all expenditure of more than £3,000.

A waiver request was submitted by the council's HR department to its procurement review group, asking for the deal to be approved without tender. The group refused and asked for more information.

However, the deal was given the green light after acting head of policy and public affairs, Neelam Devesher, who worked with Common Purpose during her time at Bradford City Council, challenged the procurement manager.

"It is the opinion of the auditor that value for money could not be demonstrated on the subsidy of 10 places on the InsideOUT programme," Mr White's report added. "It was funded from the central budget and was not linked to any of the improvement priorities."

Outside delegates to attend the course at the taxpayers' expense were from Surrey Chambers of Commerce, the Diocese of Guildford and a Guildford training consultancy.

Mr White said that, while Common Purpose was widely used across the public sector, officers' previous relationships with the firm had 'muddied the waters'.

His report continued: "...failure to ensure transparency throughout the procurement has exposed the authority to

accusations of cronyism that, though false, are difficult to refute."

There was no evidence found to suggest any SCC employees benefited financially from the relationship with Common Purpose.

Peter Webb, from the Surrey Taxpayers' Alliance, said a misplaced solution had been sought to try to remedy failings later confirmed in interim chief executive Michael Frater's damning report.

"Taxpayer money was liberally spent in subsidising the attendance on the training course of non-council people," he said. "This has led to the additional cost burden on taxpayers over and above £48,000, of investigation, officer time and an audit report."

"Poor management cost us cumulatively in ways not realised by many."

A spokesman said: "The council has participated in events organised by Common Purpose between September 2007 and May 2009 including the InsideOut leadership programme in November 2008, on which the council sponsored a number of places for its managers and small organisations including the voluntary sector."

"We understand Common Purpose intends to run a further InsideOut programme in Surrey in 2009 but the county council will not be contributing to the event this year."

# Surrey Advertiser

Guildford Advertiser

Friday 18th September 2009

## Council launches investigation into £48,000 payment

Exclusive by  
Richard Pain

SURREY County Council (SCC) waived its own tender process when awarding a £48,000 deal to a firm linked to its then chief executive, it has been revealed.

Last year the authority paid for four of its senior managers to go on a training course provided by London-based company Common Purpose.

Documents seen by the *Surrey Advertiser* show that former SCC chief executive Richard Shaw was part of an advisory group for the company's Oxfordshire operation in 2004 when he was chief executive of Oxfordshire County Council.

A series of emails between Mr Shaw and the firm's operation director sent last summer discuss setting up a Common Purpose branch in Surrey.

In an email dated July 30 2008, the director said: "Dear Richard, thank you for meeting with me this afternoon to discuss bringing Common Purpose to Surrey."

The email went on: "I feel we

are making good progress with getting key organisations in Surrey to buy into the idea and now that I am clearer about the options for financial support for places, I will start encouraging applications."

By the time this exchange happened, the wheels were already in motion for SCC to commit to spending £48,000 to send its senior officers on Common Purpose's InsideOUT programme.

The council has confirmed it has launched an investigation into the nature of the deal.

An SCC 'waiver request' details the specific need to send the senior officers on the eight-day course.

Much of the wording for justifying the purchase order for the course appears to have been taken directly from Common Purpose marketing literature.

It said the course provided "access to broader, more diverse network of relationships with senior leaders and key figures locally and more widely".

The exact sentence appears on the website of the not-for-profit organisation.

The form added: "This is a highly unique programme which sits outside the leadership development programme currently being planned and developed for internal delivery across SCC."

It is not known exactly which county council officers attended the course.

Mr Shaw left his £195,000 a year job at County Hall last November - four months after the publication of Ofsted's damning Joint Area Review.

The review, which uncovered failings in Surrey's social care department, was the primary reason the authority was later given a one-star rating by the audit commission.

A member of the public discovered the connection between the course and the council's chief executive by submitting requests under the Freedom of Information Act.

Graham Robertson has since made a formal complaint to Surrey County Council about his discovery. Mr Robertson said guidelines should be in place to monitor the conduct of council employees similar to how council members are regulated.

"The fact that there was no financial benefit for his is irrelevant," he said.

"There is clearly a conflict of interest. It's the kind of thing you would never know about if this sort of thing goes on regularly. It seems to be one rule for officers and another rule for council members."

A Surrey County Council spokesman said: "Richard Shaw retired from the council in January this year to pursue other career opportunities.

"We take this matter very seriously and are investigating the circumstances of the relationship with Common Purpose. It would not be appropriate to prejudge the outcome of this review."

A spokesman for Common Purpose said it was inappropriate to comment on Surrey's tendering process. "Our course in 2008 was the first we ran in Surrey. 2008 was also the first time that Surrey County Council sent employees as part of a wider participant group but we hope to run a course every year and are currently working on our second one, starting November 2009," she said.