

## **Extraordinary Council Meeting – 26<sup>th</sup> May 2020**

### **STATEMENT ECS01**

**Subject: Bristol Energy**

#### **Submitted by Councillor Geoff Gollop**

I thought it would be useful to cover the scrutiny role in Bristol Energy and City Leap.

The Company's original Business model was intended to target customers in Bristol and also to target those in fuel poverty by offering competitive deals for those on payment meters.

The Chair of Overview and Scrutiny Management is an Observer to the Shareholder Group. That group originally met monthly but that has now been reduced to quarterly.

The shareholder was originally the Mayor. After a while that changed, and Cllr Cheney took on the role. The rest of the group has been Chief Exec/Head of Paid service, S151, Monitoring Officer, members of the Finance and Legal teams, the Shareholder Liaison team within the Council and other Council Officers as appropriate. In addition, there were 2 Independent Shareholder Advisors. Many of the Senior Officer roles have changed 3 or 4 times during the Mayors term of Office

Attached is a list of the most significant emails letters and actions that I have taken over the last 2 and a half years.

This is far from the complete list but covers key dates and is clear evidence of concerns over a long period of time. It is notable that Marvin and Craig ignored scrutiny comments completely in April 2019 when the 19/20 business plan was approved by cabinet. Although Craig sat in on the OSM meeting that scrutinised the 20/21 business plan, no comments were taken on board when cabinet approved them on 22 January.

There are many issues that concerned me over the last 4 years and these have been shared with OSM

1. The issue of Governance and accountability have been a common theme. The administration preferred not to share issues about the companies with members. It initially took significant pressure to start briefings of Party Group Leaders on key issues relating to BE. Governance issue clearly still remain as the 20/21 business plan was withdrawn 8 days after approval by cabinet, an extraordinary state of affairs
2. I raised repeated concerns that the Companies were taking up too much senior Officer Time, [REDACTED]
3. I raised moral and ethical questions about [REDACTED]

[REDACTED] This issue was also raised by OSM

4. I raised questions regarding debtor control within the company. [REDACTED]

[REDACTED] The original Business model is referred to above. [REDACTED]

7. Once the borrowing Cap was set, and the business plan “modified “to operate within it, [REDACTED]

8. I had repeated differences with councillor Cheney over Social value. I remain of the view hat a business loosing £10m cannot claim a social value brings it into profit. Social value does not pay the creditors.

9. [REDACTED]

10. When the MD of Bristol Energy stood down in March 2020, members were not notified, either on the date of his resignation or when the information was made public by filing at Companies House

There are other matters that I would comment on

11. From the time the Mayor stopped attending the Shareholder Group meetings, I have no idea of whether the opinions of the Independent advisers were conveyed to him. [REDACTED]

12. The Mayor continued to “Champion” Bristol Energy at every opportunity and was the moving force linking it with City Leap

## Dates of emails and other actions

16 November 2017. Concern about governance of companies and lack of urgency in bringing report to members

11 July 18. Letter to shareholder group regarding continued lack of information.

25 August 18. Statement to OSM members “the item relating to Bristol energy is so confidential that no detail is provided in the cabinet papers”

15October 18.

13/1/19. Letter to Head of paid service and deputy mayor raising issues about the Bristol energy business plan and its delay

1 April 2019.

9/4/19. Complaint to head of paid service that cabinet and mayor would not even acknowledge the detailed report of OSM

18/12/19 OSM detailed review of business plans. Concerns expressed by members.

20/2/20 Letter to shareholder group and chief officers

2/3/20 Confidential Public Forum To OSM

3/3/20 Confidential Report from OSM and personal public forum statement to Cabinet

4/3/20 Personal letter to External Auditors, Grant Thornton,

16/3/20 Confidential Statement to Audit Committee re

2/4/20 Phone conversation with Mike Jackson, registering further concern over governance issues. In particular the resignation of BE Managing Director and a new appointment being made without members being notified. I found out from media and a Companies House search

30/4/20 Letter to Head of Paid service, monitoring and S151 Officer asking for action regarding key decisions being taken by the Mayor without proper notice or opportunity to scrutinise. Specifically, the Key decision to suspend City Leap, and the key decision to downgrade the importance of Bristol Energy

4/5/20 Personal letter to Grant Thornton about abuse of key decision regulations

7/5/20 Further concern expressed in phone conversation to Mike Jackson re leak of information to Sky News. Concern expressed about source of the leak and why the Shareholder Group and members were not kept advised.