

## Question: CS17.1

Cabinet – 2<sup>nd</sup> June 2020

Re: Agenda item 17 – Bristol Energy

Statement submitted by: Councillor Mark Weston

### AGENDA ITEM 17 – BRISTOL ENERGY UPDATE

I hope all Members will now have read this entirely exempt item and digested its content. It remains disappointing that they were prevented from doing so prior to last week's EGM, although, [REDACTED], perhaps the Mayor thought it better for his colleagues to remain in ignorance a little while longer.

Make no mistake. [REDACTED]

[REDACTED] Here, is a triumph of hubris and vanity over humility.

For the benefit of those Labour Members who were not around at the time, I embed below some the concerns put on public record by Conservative councillor Alastair Watson back in 2015:-

#### MEMBER FORUM – 21 JULY 2015 CON. QUESTION 1

##### Question(s) to the Mayor from Councillor Alastair Watson BRISTOL ENERGY

1. Is the Mayor aware of any other municipal energy companies **in this country** which have proved to be commercially successful?
2. As the Mayor will be aware, we are told that this new venture "... will be a different type of energy company, being a force for social good not wholly driven by profit, supporting the business of the Council and the City and generating a new revenue stream for the Council..." Can the Mayor confirm which of these potentially conflicting aims has overriding priority?

##### Reply from Cllr Cook, Assistant Mayor for Place:

There are no other municipal energy companies in the UK currently running however Nottingham City Council is in the process of setting one up.

Quite simply, the company needs to be commercially successful, that is the first priority then, after that, there is a balance to be sought between profit and social good. That will be an ongoing discussion and is one of the reasons we have established the governance arrangements in the manner that we have.

##### Supplementary Question 1:

Did we look to partner up and collaborate with some commercial organisations rather than taking the risks in this way?

##### Reply from Cllr Cook, Assistant Mayor for Place:

There is always going to be a risk. Partnerships in the future may be a possibility but in the first instance we want something set up on good principles. We are not ruling anything out in the future. This is meant to be beneficial to the community as well as being profitable.

##### Supplementary Question 2:

Price and service are the two main areas we have to look at if we are going to help people pay for their energy. Do you have complete confidence that this council can be entrepreneurial and customer orientated to look after the cost base so we can make enough money so this company does not go bust?

**Reply from Cllr Cook, Assistant Mayor for Place:**

Given the information we have received over a long period of time I am confident that this will be successful.

It is rightly said that *'hindsight is a wonderful thing but foresight is better'*.

The Mayor and his Deputy Cllr Cheney know well enough that the Conservative Group has been sounding the alarm over this misadventure for the last four years. We did so in response to every iteration of its business plans and promises of eventual profitability. Of course, much of these warnings were forced to be made in private because of constraints imposed by commercial confidentiality. [REDACTED]

Ironically, this Administration chose to ignore the dictum of a former Labour Chancellor, the late Denis Healey, who famously stated *"when you're in a hole, stop digging"*.

Since 2016, each decision to commit more resources into this doomed enterprise has been one taken by the Mayor alone. This is especially so once he decided to try to save the Authority's investment by incorporating energy supply into the City Leap prospectus.

Well, the second EY report ..... [REDACTED]. This was Mayor Rees's rescue plan and was repeatedly used to justify the piling on of further debt and liabilities. [REDACTED]

I hope to be proved wrong, [REDACTED]

For these reasons, the cowardly attempt to share or put the blame on previous Administrations for this fiasco is sadly predictable and equally contemptible. In any event, the power to make Executive decisions under our system of governing is completely vested in the Mayor' not his deputies or Cabinet colleagues. As was the case under his predecessor.

As soon as the dust settles around this colossal failure, the Bristol public will demand to know **who** was willing to gamble taxpayers' money in chasing these growing losses, **what** can be done to prevent such a calamity from occurring ever again, **when** will there be some accountability for the errors made, **where** does true responsibility for this lie and **why** the executive allowed such a hopeless position to escalate in this way?

Accordingly, the Conservative Group supports the commissioning of an independent formal inquiry into this matter. In order to assist or facilitate such an audit, we seek assurances that all records pertaining to this subject will be preserved or protected for the next five years.

The next local elections may deliver a new City Mayor, someone who is actually committed to openness and transparency, who will want definitive answers to the questions posed above. It would be extremely unfortunate if those efforts were stymied by relevant information or correspondence having been lost or deleted before this can take place.