

S4

Audit Committee 25/1/21

Public Forum Statement

Review of Governance arrangements

This report is the most critical report I have ever read by an auditor. It highlights a history of poor decision making and poor governance. It is vital that this report is followed up with effective actions to prevent such abuse in the future and prevent such cavalier risks being taken with tax payers money.

The issue of the Audit Committee not being sighted (**page 13**) has been a concern of members for at least the last year. Even now as we consider this report the policy of not sighting the audit committee continues.

We will be asked to approve the authorities accounts in due course, but there is no attempt to explain to audit committee or any other councillors the impact of the loss arising from Bristol Energy.

The accounts for the company to 31 March 2020 have now been filed at Companies House but members have had no explanation of the figures or quantification of the loss, or how much more loss will have to be reflected in the 2021 accounts for Bristol Energy.

In a move that I can only see as designed to conceal information, the Bristol Holdings accounts that were signed on 10th November have not been filed at Companies House and were only made available to members in the OSM papers published for 25th January meeting. The Bristol Energy accounts approved on 17th December, have been filed with Companies House, but have not been shared with OSM or audit committee. (as an aside, I would question why the holding company accounts were signed off 6 weeks before the subsidiary)

Also, on **page 13 - conflict of interest**. GT do not refer to one significant potential conflict. The Officer responsible for the Council owned companies is also the Monitoring Officer. The Monitoring Officer should not be responsible for potentially contentious decisions where he might also be called upon to take an objective view on issues that are fundamental to the Council. The Companies surely fall into that category.

As an example of members not being sighted, at December Council, Cllr Kent asked the Mayor about the consideration for the sale of Bristol Energy customers. The Mayor stated categorically on the public record that the sale proceeds had not been received saying "this hasn't landed in our bank account yet". My understanding is that the proceeds had been received and used to pay the ROC liability and other liabilities following on from the sale. I raised my concern about the seemingly inaccurate statement with the Monitoring officer who advised that I should take this up directly with the Mayor."

Page 12 - shareholder group. A check on the attendance records would indicate that Cllr.Cheney would be the only member of cabinet to know in full what was discussed at shareholder group.

On **page 8 - the shareholder not relaying the risk to cabinet**. It would be usual for the Chief Executive, the Monitoring Officer and the Chief Financial Officer to attend the Shareholder group meeting, so they could and should have reported the risks to cabinet.

Ongoing issues regarding governance and other Companies

I have regularly raised the **Mayor's Forward** plan as an issue. Although senior officers acknowledge the importance of this and have pledged to improve it, to date there has been no significant change. Scrutiny has little notice of major items coming to cabinet and is only allowed to see reports 5 working days before the cabinet meeting. On incredibly complex issues, this is insufficient time to digest information and draft questions, so the scrutiny becomes inevitably superficial.

OSM is trying to scrutinise a whole series of decisions, which are subject to the same short notice and flawed decision-making process. This would include City leap, Heat Networks, Goram Homes and the facilities management transfer to Bristol Waste. Audit Committee must demand robust recommendations and regularly monitor implementation if The Council is to avoid making further very costly decisions.

Geoff Gollop

22/1/21