

Public Forum

Public Forum for the Extraordinary Full Council meeting



Date: Thursday, 11 February 2021

Time: 5.00 pm

Issued by: , Democratic Services

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Public Forum

1. Public Petitions and Statements

Public Petitions

There were none

(Pages 3 - 8)

Public Statements

Ref No	Name	Registered to speak?
PS01	Clive Stevens	YES REGISTERED
PS02	Suzanne Audrey	YES REGISTERED
PS03	Merche Clark	YES REGISTERED
PS04	Jen Smith	No
PS05	Caroline Gooch	YES REGISTERED

2. Councillor Statements

Ref No	Name
CS01	CLlr Khan
CS02	CLlr Gollop
CS03	CLlr Hopkins

(Pages 9 - 12)

3. Public Questions

Ref	Name	Registered to speak?
PQ01	Suzanne Audrey	YES REGISTERED
PQ02 & PQ03	Caroline Gooch	YES REGISTERED
PQ04 & PQ05	Merche Clark	YES REGISTERED

(Pages 13 - 14)



STATEMENT PS 01

Submitted by Clive Stevens

Dear Lord Mayor and Councillors

I hope this motion sets up a temporary commission to look at improving all three aspects of scrutiny. If the Council does embrace a desire to improve; continuous improvement, then all three methods need to work well - currently they don't. The mayor has consistently said scrutiny is down to Councillors. Now is your chance.

The three scrutiny types are:

- policy development scrutiny that occurs months maybe years in advance and gathers as wide a range of opinions and facts as possible (Task and finish, public consultation, forums and assemblies...)
- pre-decision scrutiny a few days or weeks before the Cabinet decision. The type done within a forward plan, but given enough time for people to give considered feedback to Cabinet.
- after the event, "value for money" scrutiny, often years after. Responsibility of Audit Committee since the Nov 2017 National Audit Commission instruction.

If the Council can do these activities well, which includes better resourcing and especially more openness and transparency, then that will give a better deal for the people of Bristol.

This issue blew up with lack of transparency of documents for value for money scrutiny (at Audit) with Councillors wanting to know what had gone wrong, to learn from mistakes. That has to be in the public interest surely? Cllrs Mark Brain and Chris Jackson thought so, as the proposer and seconder of that dramatic motion at Audit Committee in June 2020. Unanimous it was, to have better access to documents. And seven months later the External Auditors have agreed.

Councillors, do you want Bristol City Council to perform better and be set on the path to continuous improvement? If so, better scrutiny, resourced and supported is one of the prerequisites. And for better scrutiny you need openness and transparency. It is in the public interest.

Thank you - Clive Stevens (ex-Councillor)

PS - I could write a book on this. Fortunately, today, you will only have to suffer me for 60 seconds

STATEMENT PS 02

Submitted by Suzanne Audrey

It is worrying to read the following extracts from Grant Thornton's Review of Governance Arrangements for Bristol City Council's Subsidiaries 2019/20, which suggest members of Cabinet and Overview and Scrutiny Management Board were not fully informed when decisions were being taken about Bristol Energy. Unfortunately, it looks as if the Mayor, the Mayor's Office, and Cabinet members accepted a process that was described by the auditor as inadequate.

- **Arrangements for communicating key inputs to Cabinet from the Shareholder Group and Bristol Holding Limited, as well as the outcomes of scrutiny from the Overview and Scrutiny Management Board (OSMB), were inadequate.**
- **...the information and papers provided at the January 2020 Cabinet did not clearly state the risks faced by BE [Bristol Energy], or provide sufficient robust information to enable Cabinet to make an informed decision.**
- the report from Bristol Holding Limited stated that both BE and Bristol Holding Limited remained concerned that it would not take much to drive BE into a situation that may require additional shareholder funding and/or collateral. **As this report was included in exempt session, it was not contained within the main body of the papers provided to Cabinet but was included within the appendices and, as such, its messages were more difficult for Cabinet to consider.**
- The situation has been compounded by the fact that **some information and decisions, such as decisions made by the Shareholder Representative (Deputy Mayor), are not routinely published. In our opinion and based on practice elsewhere, we consider that these decisions could be published by the Council.** This approach, which restricts access to information, some of which does not need to be confidential, is **creating concerns that the Council is not as open and transparent as it could be** and should now be addressed within its governance arrangements.
- **Despite the concerns raised by OSMB, Cabinet approved BE's business plan for 2019/20**
- **Cabinet papers did not record that OSMB were consulted and the outcome of that discussion.**
- **The approval of BE's business plan by Cabinet was agenda item 18 of 22, of which there were 14 key decisions including the Council's 2020/21 budget. Our review of the webcast identified that there were no questions or comments made and the business plan was approved without any challenge.**
- Membership of the Shareholder Group is set out in its terms of reference, which was developed by the Council. In addition to the Deputy Mayor, the Group should [*include*] at least two members of the Cabinet in addition to the Deputy Mayor... Our review of the minutes identified that **only one member of the Cabinet attends in addition to the Deputy Mayor**
- **...the Council did not have effective risk management arrangements in place.**

In response to a recent question at Audit Committee, I gained the impression from the Monitoring Officer that he did not believe any changes were necessary. I hope this was a misunderstanding.

Given the considerable financial losses to the city as a result of expenditure on Bristol Energy, and in response to the concerns of the external auditor, it would be helpful to know what specific NEW measures and processes are in place to improve transparency, scrutiny and risk management.

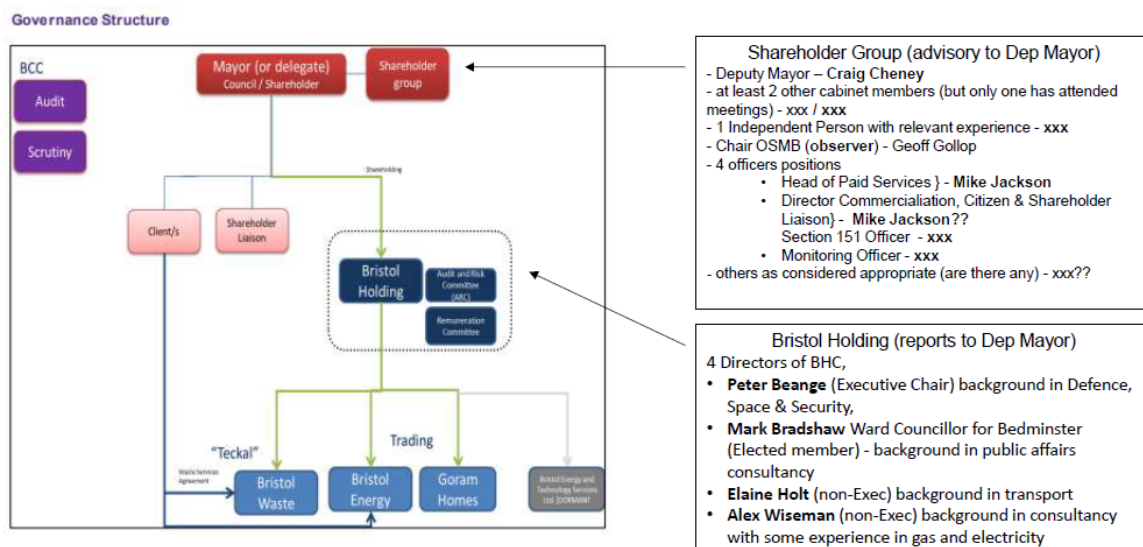
STATEMENT PS 03

Submitted by Merche Clarke

In any situation realising a loss is always difficult. We all look for ways to push it down the road. Whilst we can believe in a possible better scenario, this becomes the naturally preferred route. But many times "the first loss is the least loss". These types of situations are avoided by having in place strong Governance structures which can challenge over rosy scenarios and encourage the tough decisions to be taken in a timely way. People want to avoid losses becoming apparent, so it is often the case that people avoid scrutiny and limit access to information. We have seen so much of this over the years in relation to Bristol Energy. Exempt report after exempt report.

It is clear that the Governance structure around Bristol Energy, presented in the auditors report, shows how few people were in the decision making process. And, as far as I can tell, the one presented is an improvement on the structure that existed from 2016-2019 and is already out of date. The Deputy Mayor, as delegate for the Mayor, is the ultimate decision maker. One person.

Decision Makers for Bristol Energy



Isn't it worrying that the Shareholder Group is only advisory to the Deputy Mayor? And that its composition is made up of Cabinet members and Officers? The current Cabinet only comprises Labour Councillors. We are told in the report that only one of the two additional Cabinet Members attends meetings. The OSMB Chair is only an observer. Meeting only twice a year, and with no external oversight, the public was reliant on the Deputy Mayor and Bristol Holdings Company to take the tough decisions on Bristol Energy and perhaps that's what they did by selling the company in 2020. But clearly the structure was not strong enough or did not challenge enough prior to 2020.

The Executive Director was appointed by the Deputy Mayor. Surely it is appropriate to require the Human Resources Committee to be involved in the recruitment of the Executive Chair (in line with other senior officers).

What is the value of Bristol Holding Company to the people of Bristol? Is it to professionalise the running of commercial companies and benefit from fiscal arrangements? Or is it, as was the case on questions about Bristol 2015 Ltd, to act as a barrier to public enquiries? Recommendation 5 requires that the current structure has all the necessary documentation in place but perhaps it is worth considering whether the structure itself is sufficiently robust. Independently of whether Bristol Holding Company is necessary or not, I would argue that the Shareholder Group should act like a company Board, with real power and not just as an advisor to the Deputy mayor. It should have representation from across the Councillor base, rather than just the ruling party.

But Governance is not the only issue.

How many people had access to information that would have helped taking the sale decision earlier? It was clear from 2017 that the premise underlying the creation of Bristol Energy was no longer valid. Bristol Energy was just another player in a competitive energy market with no proprietary skills that could give it an edge over any other company. Had the plethora of exempt papers been accessed by more people would an earlier decision have been possible? The first loss was £8.4 million in 2016-7. The company was sold in 2020 and the overall loss is expected to be closer to £60million. The case for exemption on “Commercially sensitive” grounds, should only be used for specific time sensitive periods. Exemption should be the exception not the rule.

I wholeheartedly support the recommendations of the auditor report going forward. It is clear the Cabinet needs to review its attitude to transparency and information sharing. The people of Bristol own and pay for the companies under Bristol Holding Company and they have a right, through their representatives, to be satisfied that they are run properly and in their interests. Governance structures and scrutiny systems must be made robust. Without proper democratic scrutiny, Council ventures are bound to fail.

This is too big an issue to merely look forward and implement lessons learnt, ultimate responsibility lies with the Mayor and he should take appropriate action.

STATEMENT PS 04

Submitted by Jen Smith

It is quite something seeing Labour councillors on Twitter this week talking about how austerity has affected council spending, considering the financial failure of Bristol Energy (BE).

£50m on BE and £10m on City Leap at a time where communities have had to campaign to keep local libraries open, local swimming pools open, beg for school places and countless other disappointments under this administration is a disgrace.

I am already seeing funding changes to schemes running within the disabled children's community which is very much back door cuts in action.

What is even worse than the financial hit is the lack of transparency, accountability and scrutiny. These are three founding principles that local democracy should run on.

Grant Thornton concludes in its Executive Summary: 'This approach, which restricts access to information, some of which does not need to be confidential, is creating concerns that the Council is not as open and transparent as it could be and should now be addressed within its governance arrangements.'

This statement typifies what we have come to expect from Bristol City Council and the Mayor's office.

Inadequacy, dismissive, sneering and secretive, all adding up to a complete lack of integrity.

Bristol deserves better.

STATEMENT PS 05

Submitted by Caroline Gooch

As a council tax payer I am concerned about the reported loss of £50 Million of tax payers' money on the failed Bristol Energy Company.

This figure represents the loss of annual council tax from 24,436 Band D council tax payers.

It's more than the council spent on sports, leisure and culture, and highways, put together.

It's more than the entire education and skills budget

It's more than the entire housing budget.: This is a travesty considering there are 12,000 people on the housing waiting list and 600 people in temporary accommodation.

The people of Bristol deserve a thorough investigation into the leadership and decision making of this venture. The Executive should not be spending tax payers money without full transparency and approval of full council

STATEMENT CS 01

Submitted by Cllr Khan

It is a given right and duty of Councillors and residents to scrutinise the Council's activities and ask questions on issues that matter to their everyday lives.

Personally, I have seen Bristol City Council run by different administrations.

I have never in the last ten years seen what in my opinion seems to be such shared efforts of undermining scrutiny power, preventing FOI requests, and other complicit activities, and as a result, again in my opinion, this could mean bullying Councillors.

Point: none of us are here to treat each other as an enemy.

Yes, it is true that we may observe things from different perspectives or our thought processes may be different.

I believe our common goal is to improve our city and its people's lives.

This administration's failings on all the big projects are a wakeup call for the city.

Bristol Energy: Mayor Rees has presided over the biggest loss, nearly 60 million. I believe this is the biggest in Bristol City Council history.

Gorum Homes: keep concealing information. We as a council don't really know where we are. This is public money!

While there are initiatives to establish employees' rights, and fair and transparent complaints processes. At the same time we are proposing to transfer our employees to a private company, potentially followed by termination. How is that is justified!

Awarding Council projects to companies, and I have concerns that due processes haven't been followed in some instances.

What on earth is exactly going on!

Why has the Mayor started to think that he is the one, sole saver of Bristol City Council and acting like he is running a private business.

Cllr Sultan Khan

Eastville, Bristol

STATEMENT CS02

Submitted by Cllr Geoffrey Gollop

My concerns and those of OSM are not something that has only just happened. These concerns have been expressed for more than 3 years. Most of this has been done behind closed doors, so I felt it appropriate for members to see the timeline. I have concentrated on the period up to March 2020, when the decisions referred to in the report were actually being made

The list is far from complete but covers key dates and is clear evidence of concerns over a long period. It is notable that the Mayor and Deputy Mayor ignored scrutiny comments completely in April 2019 when the 19/20 business plan was approved by cabinet. The deputy mayor sat in the OSM meeting that scrutinised the 20/21 business plan but no comments were reported when cabinet approved them on 22 January 2020

- 16 November 2017. Concern about governance of companies and lack of urgency in bringing report to members, raised with shareholder group
- 11 July 18. Personal note 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”
- 15 October 18. Note to shareholder group expressing worry that “implied assumption that proposed changes will work”
- 13/1/19 email to Head of paid service and deputy mayor raising issues about the Bristol energy business plan and its delay
- 1 April 2019. Lengthy report submitted to cabinet- 4 members of osm believed “there are too many risks to the Council in continuing to fund BE.3 members believed there was no alternative”.
- 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 re BE Budget failure, governance and accountability
- 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 Grant Thornton expressing concern re governance accountability, BE and Council budget setting etc
- 16/3/20 Confidential Statement to Audit Committee re BE lack of governance and accountability

STATEMENT PS 03

Submitted by Cllr Hopkins

I attach for your attention a lobbying letter that was sent to all cllrs a short while ago. Clearly the unions job is to look at the welfare of its members and that is something that as employers we should also be concerned about but the letter also points to the problems with the running of this company and its control by this council over recent years. I suggest a careful read.

The short history of how and why it was set up by the previous mayor and why we should be concerned about decision making , governance and scrutiny which is the subject today

Cllr Gary Hopkins Lib Dem Cllr Knowle

Begin forwarded message:

Subject: Proposed TUPE transfer of BCC staff to BWC

□

The GMB is looking for your help to support its members in Security and Cleaning Services

A paper is shortly to be presented to the Cabinet proposing the TUPE transfer of these departments to Bristol Waste.

We have been told that there are similarities between the work undertaken which would mean these departments would fit better with BWC!!

From what we have been told BWC only undertake their own cleaning and security whilst BCC staff work for a variety of Businesses across the City. BWC's security would be mostly static but BCC static security staff are not included in this transfer.

The management of BWC would have us believe that this is the opportunity for them to grow their business, which they can do as a Teckal, and return any surplus to BCC.

When pressed on how much BWC had passed to BCC so far the MD stated 'about £1.75m a year for the last 3 years from profit from the HWRC (Household waste recycling centres). What he didn't see aware of that these had previously been TUPE'd over to BWC so they were only giving back to BCC which was it's in the first place.

No sign of any real surplus made by BWC since its inception it's seems to be behaving along the lines of Bristol Energy having to be propped up to help it stay solvent. We all saw what happened to Bristol Energy and know, roughly, how much BCC lost.

This transfer is a back door way of BCC giving more financial support to BWC. BCC will be paying BWC to provide services it currently provides itself. BCC Facilities Service management have already said in separate meetings with Unions that it will in the future have to look at the actual costs of the services it provides in the future. This will increase the margins for BWC and bolster their balance sheet perhaps allowing them to give the increase back to BCC in the form of a surplus!!.

Not one member of BCC staff covered under this paper has expressed a wish to move across. The vast majority, many of whom are long service, wish to stay with BCC. BWC staff have little faith in their current management often referring to their previous CEO in glowing terms

We are asking for you to see this as it is, an attempt to give BWC more financial support by the back door. What is needed is review of BWC management team to see why it isn't producing the returns expected.

Please reject this proposal.

GMB Branch President

GMB Avon and Wessex Branch

Extraordinary Full Council -11th February 2021

Agenda item 4b

Public Forum questions



Procedural note:

Questions submitted by members of the public:

- Questions can be about any matter the Council is responsible for or which directly affect the city.
- Members of the public are entitled to submit up to 2 written questions, and to ask up to 2 supplementary questions. A supplementary question must arise directly out of the original question or the reply.
- Replies to questions will be given verbally by the Mayor (or a Cabinet member where relevant). If a reply cannot be given at the meeting (e.g. due to lack of time) or if written confirmation of the verbal reply is requested by the questioner, a written reply will be provided within 10 working days of the meeting.



Ref No	Name	Registered to speak?
PQ01	Suzanne Audrey	Yes
PQ02 & PQ03	Caroline Gooch	Yes
PQ04 & PQ05	Merche Clark	Yes

QUESTION PQ01

Question submitted by: Suzanne Audrey

See statement PS01 for background...

Given the considerable financial losses to the city as a result of expenditure on Bristol Energy, and the concerns expressed by the external auditor, I asked a question at Audit Committee about what new measures or processes were in place to improve governance of Bristol City Council's subsidiaries. Unfortunately, I gained the impression from the Monitoring Officer that he did not believe any specific changes were necessary. I hope this was a misunderstanding.

Please can you give details of specific changes that have been made to improve transparency, scrutiny, governance and/or risk management of Bristol City Council's subsidiary companies? [Please note my question is about changes, rather than confirming previous systems.]

QUESTION PQ02 & PQ03

Question submitted by: Caroline Gooch

PQ02: To the mayor, Marvin Rees:

- When did the mayor first become aware that Bristol Energy was unlikely to make a profit for the council?

PQ03: To the Cabinet

- When did the internal auditors first make the cabinet aware that there was a financial risk to the council from Bristol Energy?

QUESTION PQ04 & PQ05

Question submitted by: Merche Clark

1) Between 2016-today, how much money has been spent on external consultants looking at Bristol Energy by Bristol City Council, Bristol Holding Company and Bristol Energy ?

2) What is the net operating cost (discounting any staff transfers from BCC) of Bristol Holding Company per year between 2016-today?