

Subject: FW: For your immediate attention: GCC Winding Up Community R4C: Community Benefit Society working to develop the circular economy in Gloucestershire
Attachments: Letter to Community R4C Limited 030321.pdf; CR4C 4.01.2021.pdf

Sent: 08 March 2021 09:09

To: 'Steve.Mawson@gloucestershire.gov.uk' <Steve.Mawson@gloucestershire.gov.uk>; 'BLACKER, Paul' <Paul.Blacker@gloucestershire.gov.uk>

Subject: For your immediate attention: GCC Winding Up Community R4C: Community Benefit Society working to develop the circular economy in Gloucestershire

Dear Mr Blacker,

We have not had a response to any of our previous three letters to you, attached and below. These set out why it is inappropriate for the County to pursue its costs order from Community R4C.

We were very surprised and disappointed to receive correspondence from Eversheds setting out intended winding up procedures on Community R4C. (see attached). This appears to be a vengeful and malicious action with no possible benefit to the Authority.

No legitimate public interest is served by winding Community R4C up, and we ask that you take immediate action to stop this action.

As you know Community R4C has no cash or assets so this process can have no financial benefit to the County and will cost GCC in solicitors' fees to pursue. It will have the effect of winding up a community owned, not for profit society, staffed by volunteers, which is working to provide community and environmental benefit. To seek to wind up a community group goes directly against the County's stated purposes including actions to meet its declared 'Climate Emergency', actions to achieve carbon zero and actions to reduce waste and pursue the waste hierarchy (the circular economy). County policies commit to strong governance principles including accountability and serving the public interest. The County claims to seek to engage effectively with the local community, including through groups such as ours.

Your intention to wind us up appears to be an attempt to stifle or 'punish' actions by Community R4C in challenging the UBB contract. If this is not the basis for this decision, can you make it clear what public purpose is served?

You will be aware that Directors of Community R4C provided evidence to the police in their 18 months investigation into GCC Chief Executive, Peter Bungard for alleged malfeasance in public office following a complaint from Chair of the Scrutiny Committee, Cllr Brian Oosthuysen. You will recall that Mr Oosthuysen reported to the police that Mr Bungard has met with him the night before a crucial scrutiny committee meeting about the incinerator to successfully attempt to seek to influence his vote. We hope our involvement has not influenced your decision to take action against Community R4C.

We are also concerned that this action is occurring at the same time that County auditors Grant Thornton have produced a meaningful draft provisional views following our objection under the 2014 Audit Act into the incinerator contract with UBB. This objection was raised in March 2017. The Auditors now agree, at least in part, with the substantive matter of our objection, finding that the 2016 contract was entered into without a proper procurement process and without adequate safeguards on value for money. As a consequence the Auditor plans to issue a 'Report in the Public Interest'. It seems to be more than a coincidence that the County is taking action to close Community R4C at this time in what appears to be an attempt to avoid further scrutiny from us. We can assure you that it would have no such effect as the objectors are acting as individuals and will pursue this action whatever happens.

Finally I-wish to make you aware that Community R4C is currently working with a number of local organisations to put a lottery bid together to increase waste reduction and the inclusion agenda and reduce carbon emissions, supporting the efforts of the waste collection authorities and the county council. To wind us up would seriously undermine the chances of success of the bid, while providing no benefit whatsoever to the Council.

Please respond directly to this email. The matter is urgent since the next stage in your winding up action is scheduled for 1st April 2021.

We will also be sending this letter to local MP's and various other parties, Your response should therefore be suitable for wide circulation.

With regards,

Tom Jarman, Sue Oppenheimer, Jon Scott, Tricia Watson.
Volunteer Directors of Community R4C Ltd



Web: www.communityr4c.com

Community R4C Ltd is a community owned, not-for-profit business based in Gloucestershire committed to circular economy principles. Registered with the FCA as a Community Benefits Society, registration number 7282. Community R4C Ltd, The Exchange, Brick Row, Stroud, GL5 1DF

Sent: 08 January 2021 14:27

To: 'BLACKER, Paul' <Paul.Blackler@gloucestershire.gov.uk>

Subject: RE: Community R4C - Correction

Dear Mr Blacker,

We have today received a notice that the third party debt order court hearing has been vacated. This implies that you are willing to waive costs for the reasons outlined in our letters.

Please confirm by close of play on Friday as per our letters of 3rd December and 4th January. We have not yet had a response to either.

To reiterate it is inappropriate for the Council to maintain this debt over a community benefit society, which has clearly pursued an important matter in the public interest. The procurement case was only stopped because the Judge ruled – wrongly in our view and that of our lawyers – that we were not in a position to bid in January 2016. Indeed the Council is very fortunate that we did not choose to partner with an alternative bidder from the original tender or GCC would be facing a claim of £10 millions in damages. We felt that this would conflict with the public interest that we were pursuing.

Through our efforts we have now uncovered serious matters of public concern in the Council, and an opportunity to significantly reduce costs. We have always had reducing the cost burden on the public purse as a central aim. It has now been confirmed by Grant Thornton that our underlying concern relating to the improper 2016 contract with UBB and £163m increase in cost was valid and that this additional burden on GCC was probably illegal – quite apart from being far in excess of comparable costs. There is now an opportunity to identify whether there has been illegal State Aid, and if so recover £10m's for the Council.

We would welcome a positive response from the Council.

With regards, Tom

Tom Jarman

Co Founder: Community R4C



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Dear Mr Blacker,

Regarding the letter from Community R4C dated 4 January, please note that the date by which we require a response is this **Friday 8 January**, and not the following Friday, as the court hearing takes place on 12 January.

Please find attached a copy of the letter with this information updated.

Many thanks,

Jon Scott

Co-Chair: Community R4C