

Thursday 7th Feb 2019

COUNTY COUNCIL CEO IN COVER-UP CONSPIRACY

Gloucestershire environmental group uncovers long-hidden 'conspiracy' to influence County Council scrutiny vote on controversial £600M Javelin Park incinerator contract.

CEO of Gloucestershire County Council Peter Bungard may be subject to a charge of 'misconduct in public office' after secretly influencing a key scrutiny vote that has led to the most expensive county council waste contract ever signed in the UK, according to Community R4C, a group campaigning for a circular economy in Gloucestershire.

Mr Bungard urgently requested a private meeting on the evening of 19th November 2015 with Scrutiny Committee chair Brian Oosthuysen (aged 77 at the time). Having sworn Mr Oosthuysen to secrecy, Bungard insisted that he must use his casting vote on the committee to prevent scrutiny by the full council of revisions to the highly controversial Javelin Park incinerator contract, "or else it will cost the Council £100M".

Because of the lack of scrutiny, the revised and much increased contract went ahead unquestioned - and is now to cost Gloucestershire taxpayers an astonishing additional 30% (approx £150M) at a time when cuts are being made to essential social services. Bungard received a £194K pension windfall from GCC that same year, awarded by the very same council Cabinet pushing forward the huge contract, and making Bungard the highest paid Council executive in the South West in 2015. Mr Oosthuysen went on to become Chair of the Council's Audit Committee.

The matter is now thought to be under investigation by Gloucestershire Constabulary's Anti-Corruption squad.

Community R4C, who have led local campaigns against the incinerator contract on grounds of cost and environmental impact says this latest reported incident is only part of a wider cover up. Legal challenges are now in hand or under consideration against the Council for breaching procurement law and misfeasance in public office. A recent request by locals for an independent public inquiry has been officially rejected by Mr Bungard who claims it would be a waste of the Council's resources.

The original incinerator contract was vigorously opposed by Gloucestershire residents but key financial details were withheld by the Council for several years until, after costly appeals by the council funded by taxpayers, disclosure was forced by an Information Tribunal. The delay allowed Urbaser Balfour Beatty to start work at the incinerator site from July 2016. The Council then tried to keep the £150 million cost increase secret but finally released details just before Christmas 2018 once construction was virtually complete.

"The Council has been so very secretive that we did wonder what they were trying to hide, and we were really shocked when we found out about the astronomical increase," says Sue Oppenheimer, one of Community R4C's directors. "But the idea that a county council CEO, the most senior local civil servant, would pervert democracy in this way is just appalling. We need an independent inquiry to get to the bottom of this huge waste of public funds and the whole flawed and probably illegal process involved. If not, this could happen again, anywhere in the UK."

Ms Oppenheimer was first to hear the story from Mr Oosthuysen. *"I gather he is now in communication with the police about the incident, and rightly so,"* she says. *"Brian Oosthuysen, now 80, is the most senior elected member of the County Council and commands huge local respect. It seems he has been misled and mis-used by Mr Bungard. Had he and his Scrutiny Committee known then what we know now, taxpayers might not be saddled with a £600M 'waste elephant' that discourages recycling, that the public never wanted and the council's own planning committee refused."*

Councillor Oosthuysen was unable to comment due to the police investigation being under way, but expressed outrage at the recently disclosed contract figures and what they imply: *"What I can say is that I am very angry that both committees of which I have been chair were deprived of the information necessary to fully carry out their duties."*

The Javelin Park contract with Urbaser Balfour Beatty has been surrounded in controversy from the outset with mass protests and even a hunger strike. At a "gate fee" of £189/tonne of waste, local taxpayers are now set to foot a bill of around twice the market rate for incineration, and three times the rate charged to private customers at the same facility.

Community R4C has recently filed a High Court claim against Gloucestershire County Council, asserting the council has breached procurement law. Directors say the difference between the original contract and the revised one is so great that it should have been publicly re-tendered, allowing cheaper, more environmentally friendly solutions to be considered.

Ms Oppenheimer added: *"It may not be too late for the council to salvage something from this mess. If our High Court case finds that the council unlawfully favoured one supplier above market rate, developer Urbaser Balfour Beatty may be obliged to return the difference to the public purse under state aid rules. The contract would then have to be re-examined, and at that point some open discussion about what would really benefit the county can take place. That's what we want to see. We hope these investigations, both civil and criminal, can help to achieve a better environmental and financial outcome for the people of Gloucestershire, and ensure this awful situation doesn't arise anywhere else. You honestly couldn't make it up."*

****ENDS****

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Websites:

<https://CommunityR4C.com>

<https://gloucestershire.gov.uk>

Javelinparkinquiry.org.uk (for information on Independent Inquiry)

<http://www.timdavies.org.uk/category/javelin-park/> (for information on FoI case)

EDITORS NOTES:

Community R4C's High Court claim ([Details and papers can be found here](#)), alongside calls for an Independent Inquiry, were sparked by the release on 20th December 2018 of documents following a long FOI process (in which GCC had appealed against an ICO notice to disclose). These documents revealed the details of cost increases that had been withheld from Councillors when they were asked to vote on the project in November 2015. [Documents](#) available on the Community R4C website show the planned incinerator is very inefficient, environmentally damaging and expensive.

Community R4C Ltd is a Community Benefit Society based in Stroud, Gloucestershire registered with the FCA. Set up in 2015 to work towards a waste solution which would serve the community and protect the environment, Community R4C raised almost £100,000 in a groundbreaking Community Share Scheme to facilitate its aims and the building of an alternative waste resource recovery plant – the R4C plant – in cooperation with investors and partners. Community R4C has widespread support, both within and outside Gloucestershire including from well known campaigners for sustainability – among them Jeremy Irons and Jonathon Porritt.

The society currently seeks a commitment from the council to work closely with Community R4C to ensure that changes are made to the incinerator contract, including:

- removing the mechanism that gives incentives to recycle less and waste more;
- ensuring that third party gate fees are equal to those paid by the Council taxpayers;
- encouraging greater recycling and waste avoidance;
- pre-sorting waste to remove recyclable material;
- decommissioning or re-purposing the Incinerator as soon as it is economic to do so.

Allegations of criminal misconduct were originally filed with the police in 2017 by local campaigner Jojo Mehta, alleging that public, press and many councillors had been actively misled by a small group of Cabinet members and council officers with regard to key figures in the controversial contract - information which it took a court tribunal to force the council to finally reveal. At the time Ms Mehta was told by the Inspector in charge that while he could see that the contract was severely front-loaded and problematic, there was not sufficient evidence for a criminal investigation, but that she should come back if further evidence emerged. The incident related here was submitted as further evidence, and in December 2018 police confirmed the investigation was being taken on by the local anti-corruption squad.

Audit investigation re incinerator contract: In 2017, Community R4C raised a [formal complaint](#) about the value for money of the incinerator contract with the council's external auditor Grant Thornton. Grant Thornton's investigation remains incomplete, with the council's audits for 2017 and 2018 still not signed off, and GT also failed to inform the Council's Audit Committee of the procurement process and the £150 million contract cost increase.