

# **Inactive council-owned energy company is “public scandal”**

**An Edinburgh council-owned energy company which hasn't been used for anything since the idea was conceived nearly a decade ago is a “public scandal”.**

Anger over the council's failure to properly establish the publicly-funded Energy for Edinburgh (EFE) has sparked calls to “put it out its misery”.

The arms-length organisation officially launched in 2016, two years after proposals were first presented to councillors, to reduce fuel poverty and carbon emissions by delivering affordable energy initiatives for residents across the city.

However it is still yet to carry out “any activity,” officials said in a new report which cast doubt over whether there would be any “added value” in EFE taking projects forward rather than the council directly overseeing them.

Iain Whyte, Conservative group leader, said: “This is a public scandal.”

Speaking as the report went before the Policy and Sustainability Committee on Tuesday (August 22), he said: “We've wasted £200,000 in taxpayers money on this company over the last seven years and we've got absolutely nothing for it.

“That's a disgrace and we should put an end to that right now, so we should wind-up the company.”

Cllr Phil Duggart, Conservatives, added: "If it takes nine years from the genesis of an idea to where we are today it suggests that something's gone wrong.

"This is a bit of a mess and I think we should really call it quits.

"If we cannot think of a strategy or a business plan after nine years from the idea first being discussed and seven years from the operation of the company then let's put it out its misery, it's not doing any good."

The council is already planning to roll-out heat networks – which carry hot water to consumers from a central source via underground pipes – to homes at Granton Waterfront, Edinburgh BioQuarter and possibly also Sighthill, Craightinny, and Seafield, through its own initiatives.

Councillors voted to hold-off on taking a decision about the future of EFE until further assessment of whether there would be advantages to delivering the heat network schemes through it is completed.

Cllr Whyte said most local authority-owned energy companies have "gone bust" in the past "because it's not an easy market to get into and you need large funds behind you to make it work, to make it sustainable".

But SNP group leader Adam Nols-McVey argued there was still an opportunity for the company to be "driving public benefit and tackling climate change".

He said it had not "not managed to do anything" because it didn't have "infrastructure" or a "delivery mechanism".

He added: "I hope that when we get to the position in a few months time to discuss this again we are further down the road and we are not simply waiting on a major scale development happening that we then think about maybe including a role for

Energy for Edinburgh in, because I don't think it's good enough."

The report said: "An appraisal on future options for EFE has found that there is currently no clear role for EFE but that it could be used to progress heat network projects subject to further, more detailed, assessment.

"It is envisaged that, as the above areas of work advance, it will become possible to finalise the assessment of whether there is a role for EFE in relation to heat networks."

*by Donald Turvill, Local Democracy Reporter.*