Private consultancy firms rake in big GB Energy public money

Description

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gb energy

New-ish GB Energy has wasted no time siphoning off public money to private companies. Scottish paper the *National* has revealed that up to Â£20m of taxpayer money is going straight to consultancy firms.

GB Energy: corporate capture

Under energy secretary Ed Milibandâ??s guidance, London-based firms Deloitte and Baringa Partners are gaining lucrative contracts. Theyâ??re to handle day-to-day operations of Labourâ??s flagship â?? supposedly publicly-owned â?? corporation GB Energy.

The *National* has revealed that these contracts, signed on 1 May, awarded the two firms a shared programme â?? worth up to Â£10m each â?? in which they will:

> be responsible for â??organisational set up supportâ?•, â??operational design and deliveryâ?•, market strategy and â??technical supportâ?•.

Deloitte is expected to handle the bulk of the contract. Baringa will be expected to step in wherever conflicts of interest arise or where thereâ??s a resourcing issue. The extendable contracts will run for two years.

Under pressure from corporateering Gulf State agent and AI-tech lobbyist Tony Blair, Labour government ministers this week debated scrapping â??net zeroâ?• altogether. This came amid the UKâ??s worst May heatwave and a subsequent drought across parts of Britain leaving thousands without water.

Keir Starmerâ??s Great British Energy is in a sorry state of affairs

More broken Labour promises?

highlighting

Labour announced

Europeâ??s largest oil cartel

previously revealed

more insecure

halve government spending

Labour emphasise

insiders suggest

limited in-house expertise

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Â£-billions squandered

non-entity â??Rwanda Planâ??

small boat measures

dropped by 14%

large corporate and private donors

less from unions

The â??Big Fourâ?? revolving door

almost Â£2m worth of free labour

Big Four on loan

regularly consult

New Economics Foundation

Conflicts of interest are built into the very DNA of the big professional services firms.

Former Labour MP Austin Mitchell described these firms being â??more powerful than governmentâ??. These companiesâ?? financial successes grant them privileged access to government big-wigs and policymakers.

This is by no means unique to British politics. It was reported in 2024 that the New York government paid McKinsey $4m for a 95-page deck on waste management. Its revolutionary suggestion was: to adopt *wheelie bins*. This came at a whopping cost of some $42,000 per presentation slide!

> NYC paid McKinsey $4m for a 95 page deck on putting trash in containers, not bags
>
> Thatâ??s $42k per slide.
>
> So McKinsey made $42k for this slide explaining the concept of a trash bin
>
> https://t.co/QgWPWt7fXJ pic.twitter.com/4S8jqit0aD
>
> â?? Andrew Lynch (@andrewgbylynch) July 10, 2024

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Australian journalists have also clearly documented the â??revolving doorâ?• between Big Four firms and their mainstream politicians. Subsequently, Australian government contracts awarded more than quadrupled to over Â£1.4b in the decade to 2023.

ABC similarly produced a damning investigative article titled:

> How the big four accounting firms infiltrated governments, earning more than $10b over a decade while taxpayers are in the dark

Likewise, one New South Wales university researcher extolled an in-depth article titled:

> How reliance on consultancy firms like PwC undermines the capacity of governments

Itâ??s time that Britainâ??s political and media class wake up to this problem like Australians have.

> Itâ??s not renewables putting up your energy bills, itâ??s billionaires

Featured image via Getty/Carl Court

By Cameron Baillie

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