

KEEPING THE LIGHTS ON (*Private Eye* No. 1466, 23 March – 5 April 2018)

Last year we recorded how Angus Energy made a fool of Surrey County Council (SCC) and drilled a well in leafy Brockham without planning permission, telling investors that for planning purposes the work was “considered to be” simply maintenance to an existing well that wouldn’t require consent (*Eye* 1440). “Considered” by Angus itself, that is, because SCC had already told it permission was needed.

We wondered then “whether SCC has the stomach for a fight”, and whether Angus might be thought to have “misled new investors and bondholders over its permit for the well that is so significant to their prospects”. There have been developments on both fronts, and for the benefit of investors we have turned up helpful new evidence.

Commendably, SCC has stuck to its guns. Angus, “after careful and considered review”, has felt obliged to apply for what it spins as a “normalisation application” (i.e. retrospective approval), “submitted without prejudice [*sic*] – a prudent and pragmatic step in the best interests of all stakeholders”. Alas, this has done nothing to sustain its share price, down from 30p to 7p since the application was made.

Unsurprisingly, Angus decided not to proceed with a planned £3.5m public issue of bonds. Instead it raised £2m via a placement of deeply discounted shares with “institutional and private shareholders”. The Angus website carries a defensive diatribe against claims it has been warned consent was needed, stating: “We were unaware of any such concern... Any characterisation that Angus Energy deliberately misled its investors and the public or misunderstood clear advice is offensive and wrong.”

Hmm. The *Eye* has obtained a copy of an eight page report specifically commissioned by Angus from Prospect Planning Ltd, a specialist planning consultancy in 2014. Prospect drew attention to detailed differences between planning conditions at two Angus locations, specifically pointing out that for Brockham, unlike the other site, Angus could expect to “require a new planning application for any works” – and should approach the council. Sufficiently clear advice? And we know how SCC replied: at least twice, in writing, it declared (clearly) that consent was needed.

Angus now states that, *after* it had drilled the well, “we asked Queen’s Counsel [*sic*] for a full review”, though it has not chosen to publish this. Investors may anyway have enough information now to decide for themselves whether Angus “misunderstood clear advice”.

‘Old Sparky’