# SFO launches probe into £100 million solar farm losses at Thurrock Council



The Serious Fraud Office (SFO) has initiated an investigation into Rockfire Investment Finance Plc, following revelations surrounding the mismanagement of over £100 million that Thurrock Council invested in solar farms. This investigation signifies a pivotal moment in a saga tied to high-profile allegations of financial misconduct within local government investment strategies, particularly in renewable energy sectors.

Thurrock Council, based on the banks of the River Thames, made significant investments into Rockfire’s renewable energy bonds between 2016 and 2020. These bonds, marketed as offering returns of 3% to 6%, ultimately led to catastrophic financial repercussions. In 2022, the council declared effective bankruptcy, culminating in debts exceeding £1.4 billion—largely attributed to failed investments linked to these solar schemes. The SFO’s probe, bolstered by Essex Police, aims to trace the flow of funds and establish the nature of the alleged fraud that could have facilitated such a dire situation.

Victoria Holloway, a cabinet member of the council, expressed optimism regarding the SFO's involvement, stating that it reinforces their ongoing civil claims against Kavanagh and Rockfire. She noted that the council has successfully recovered over £650 million of lost public funds, highlighting a determination to hold accountable those responsible for the council's fiscal calamity. The SFO's investigation comes at a time when local councils, faced with reduced central government funding since the financial crisis, have increasingly turned to speculative commercial investments, often resulting in disastrous outcomes.

Rockfire, which has since entered liquidation, is at the centre of accusations that its owner, Dubai-based businessman Liam Kavanagh, misappropriated substantial amounts of the council's funds for personal luxuries. Legal documents allege that he misused approximately £150 million for lavish expenditures, including a £13.7 million yacht and a £9.1 million Bombardier private jet, among other purchases. Although Kavanagh's representatives contend that the allegations are unfounded and that jurisdictional issues regarding the council’s court filings exist, the unfolding legal battles only deepen the ramifications for Thurrock Council.

Thurrock's tumultuous financial timeline bears scrutiny, particularly its transition into extreme indebtedness, which saw the council labelled as one of the most financially precarious in England. Internal assessments have pointed to a lack of rigorous checks and balances in its investment strategies, which were reportedly under the sole discretion of its finance director, who had "unlimited authority to invest" as he deemed fit. This lack of oversight not only facilitated poor investment decisions but reflected a broader trend at local councils seeking significant returns amid shrinking budgets.

Adding to the urgency, Thurrock Council has recently sold its portfolio of 53 solar farms for £700 million as it seeks to mitigate its debts. This sale, the largest transaction of its kind for the council, is expected to alleviate over half a billion pounds from its financial burden, representing a step toward recovery from its previous financial catastrophe. Meanwhile, the implications of the SFO’s investigation could extend beyond local governance, raising questions about the broader sustainability of municipal investments in high-risk areas such as renewable energy.

As the SFO's inquiries unfold, local authorities may find themselves under increased scrutiny regarding their investment practices, underscoring the necessity for greater accountability and transparency in public spending.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.theguardian.com/law/2025/jun/03/sfo-thurrock-council-solar-farms), [[2]](https://www.ft.com/content/74cf5975-6253-4957-a071-fb16bcee392a)
* Paragraph 2 – [[1]](https://www.theguardian.com/law/2025/jun/03/sfo-thurrock-council-solar-farms), [[4]](https://www.theguardian.com/society/article/2024/aug/15/debt-ridden-council-accuses-tycoon-of-misusing-150m-of-its-investments), [[5]](https://www.theguardian.com/society/2022/nov/29/thurrock-council-admits-disastrous-investments-caused-500m-deficit)
* Paragraph 3 – [[2]](https://www.ft.com/content/74cf5975-6253-4957-a071-fb16bcee392a), [[6]](https://www.thebureauinvestigates.com/stories/2020-10-17/fraud-allegations-call-400m-thurrock-council-investments-into-question/), [[7]](https://www.thebureauinvestigates.com/stories/2020-05-22/thurrock-council-borrowed-1bn-from-taxpayers-to-bet-on-british-sunshine/)
* Paragraph 4 – [[3]](https://www.bbc.co.uk/news/uk-england-essex-68099217), [[4]](https://www.theguardian.com/society/article/2024/aug/15/debt-ridden-council-accuses-tycoon-of-misusing-150m-of-its-investments)
* Paragraph 5 – [[3]](https://www.bbc.co.uk/news/uk-england-essex-68099217), [[5]](https://www.theguardian.com/society/2022/nov/29/thurrock-council-admits-disastrous-investments-caused-500m-deficit)
* Paragraph 6 – [[1]](https://www.theguardian.com/law/2025/jun/03/sfo-thurrock-council-solar-farms), [[2]](https://www.ft.com/content/74cf5975-6253-4957-a071-fb16bcee392a)

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## Bibliography

1. <https://www.theguardian.com/law/2025/jun/03/sfo-thurrock-council-solar-farms> - Please view link - unable to able to access data
2. <https://www.ft.com/content/74cf5975-6253-4957-a071-fb16bcee392a> - The UK Serious Fraud Office (SFO) has initiated an investigation into Rockfire Investment Finance Plc, a company led by Liam Kavanagh, for selling risky solar farm investments to Thurrock Council. Between 2016 and 2020, the Conservative-controlled council invested approximately £270 million in Rockfire’s renewable energy bond schemes, which promised 3-6% returns. Thurrock later declared bankruptcy in 2022, acknowledging £275 million in losses and accumulating £1.3 billion in debt. The SFO has issued information requests to financial institutions as part of its probe, supported by Essex Police. The council’s current Labour administration welcomed the investigation and has already recovered £650 million of public money. The case highlights the risks local councils have taken since the financial crisis, turning to speculative commercial investments amid shrinking central government funding. Rockfire has since entered administration, and the legal process continues.
3. <https://www.bbc.co.uk/news/uk-england-essex-68099217> - Thurrock Council, in Essex, sold its portfolio of 53 solar farms for £700 million as it battles to repay its debts. The council had lent £655 million to Rockfire/Toucan for investments in solar farms. The sale will reduce Thurrock's debt by over £500 million and is the single biggest contributor towards its financial recovery. The council declared effective bankruptcy in 2022 after accumulating debts of about £1.4 billion due to failed investments in the farms. The Conservative leader, Andrew Jefferies, expressed commitment to recovering the situation.
4. <https://www.theguardian.com/society/article/2024/aug/15/debt-ridden-council-accuses-tycoon-of-misusing-150m-of-its-investments> - Thurrock Council in Essex is suing Dubai-based businessman Liam Kavanagh for an alleged misuse of £150 million of its funds, which were invested in solar farm-backed bonds. The council claims Kavanagh used some of the money to purchase luxury items, including a yacht, jet, and a country estate. Thurrock, which declared bankruptcy in 2022 due to massive debts partly stemming from these investments, alleges it was misled by fraudulent representations from Kavanagh and his company Rockfire Capital, and that investment assumptions were manipulated. Kavanagh denies the allegations and is challenging the court's jurisdiction. The council, which has incurred a £1.4 billion debt, blames the financial troubles on these transactions and is seeking damages.
5. <https://www.theguardian.com/society/2022/nov/29/thurrock-council-admits-disastrous-investments-caused-500m-deficit> - Thurrock Council in Essex has admitted that disastrous investments, largely in solar farms, led to a £500 million deficit. The council had become one of the most indebted of all English local authorities after borrowing £1.5 billion to enable a string of investments in solar energy and other businesses. The council's finance director had 'unlimited authority to invest in anything he felt fit'. The report noted that the root of Thurrock’s unique investment strategy could be traced back to May 2016 when the council made an investment of £24 million in Swindon Solar Farm, operated by Rockfire/Toucan, after which investments continued to be made.
6. <https://www.thebureauinvestigates.com/stories/2020-10-17/fraud-allegations-call-400m-thurrock-council-investments-into-question/> - Thurrock Council is the largest local authority investor in solar bonds connected to Rockfire Capital, with hundreds of millions of pounds tied up in deals as part of a wider £815 million renewable energy investment strategy. The Bureau’s investigation traced £74 million in payments linked to Rockfire, including the original £40 million invested in the Wirsol deal. The court proceedings have confirmed that Thurrock’s total investment in those 19 sites was £145 million. The council's finance director, Sean Clark, stated that all the investments were the result of 'intermediaries' approaching him with money-making opportunities.
7. <https://www.thebureauinvestigates.com/stories/2020-05-22/thurrock-council-borrowed-1bn-from-taxpayers-to-bet-on-british-sunshine/> - Thurrock Council borrowed £1 billion from taxpayers to invest in solar farms, with various businesses in the network controlled by Liam Kavanagh, the founder of Rockfire Capital. The council made payments of at least £74 million, and possibly far more, to Rockfire Capital, an investment firm that helped raise £432 million from councils to buy 56 solar farms across the UK between late 2016 and the end of the following year. The bonds were secured against the solar farms themselves, but Rockfire's high company debt compared to the value of its farms suggests investors, and therefore taxpayers, are taking on a large degree of risk.