

QUESTIONS FROM THE PUBLIC

Agenda item 6 invites the public to submit questions for consideration at the meeting. The following questions have been received.

The following questions have been received from Mrs E Morawiecka on agenda item 8, *Freedom of Information and Arm's Length Companies - An Update*

- Question 1:** Please see attached the letter from Director Geoff Hughes dated 13th February 2006, which gives the background to the setting up of Hereford Futures Ltd (formerly Edgar Street Grid (Hereford) Ltd) and how it is a Joint Venture Company between Herefordshire Council and Advantage West Midlands. Would you please detail Herefordshire Council's current and future liabilities, including that of local government pension, for any "arms length" companies, where the Council has provided guarantees for the company employees, such as the Chief Executive of Hereford Futures Ltd?
- Question 2:** The report on FOI and Hereford Futures Ltd, correctly states that Hereford Futures Ltd is a company limited by guarantee and that the guarantee provided by the members is limited to a specified sum, which in the case of Hereford Futures Ltd is just £1. Reference is made in the Notes to the Financial Statements for Hereford Futures Ltd for the Year Ended 31.3.11 that faced with a negative balance sheet, only Herefordshire Council guaranteed that it would provide income to Hereford Futures Ltd for the following year of £285,000 so that the auditors would be able to agree the company was a "Going Concern" for the year ended 31.3.12. Why would Herefordshire Council guarantee income more than £1 income to an "arms length" company which is effectively worthless and has accumulated net liabilities over its lifetime?
- Question 3:** Would the author of the report to the General Overview & Scrutiny Committee please confirm that the copy of the Local Investment Plan 2011-2026 (dated January 2011 - which is an agreement between Herefordshire Council and the Homes & Communities Agency) clearly states page 49 "[The Company \(HFL\) has been established as a joint venture Company with Advantage West Midlands \(AWM\). AWM funding will come to an end from 31st March 2011. From 1st April 2011 the Company will be fully funded by Herefordshire Council.](#)"? (Please note a copy of this document has been supplied to the Monitoring Officer and the Chief Executive of Herefordshire Council 3 months earlier, and is attached* to help the author respond).

- Question 4:** According to the publicly filed accounts of Hereford Futures Ltd for the year ended **31st March 2012**, the company had a turnover of £485,594 and received grant income from Herefordshire Council of £513,067. Does this confirm that from 1st April 2011 Hereford Futures Ltd was wholly funded by Herefordshire Council?
- Question 5:** The report to the committee only considers accounts for the YE 31.3.11, despite having been provided with a copy of the accounts for the year ended 31st March 2012. What are the reasons for not providing Councillors of this committee with the most up to date, publicly available, financial information?
- Question 6:** Hereford Futures Ltd website clearly stated on 12.1.12 (Please see screen shot attached) that “as well as taking all major decisions and setting policy, the Council chairs the Company’s Gateway Committee” If this has been the role of Herefordshire Council why does it not possess any copies of Board meetings of this company, when sometimes up to 2 members of the Cabinet and the previous chief executive of the council, were in attendance at these Board Meetings?