

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 has been received from Mrs E Morawiecka on agenda item 9, *Hereford Futures Limited*:

I would like to thank Mr Norman for his very detailed report and the first to come to the Overview and Scrutiny Committee providing detailed, up to date information about the public funding provided to Hereford Futures Ltd over the years and the way in which Freedom of Information and accountability of public money applies to this company and any other such “arm’s length, private limited companies”.

Question 1: Ref 19 it states, “officers are in discussions with HFL and the HCA about the extent to which the Council may take on any HFL liabilities in the future”. The report states that neither the Leader of Herefordshire Council nor the Chief Executive are on the board of Hereford Futures Ltd at the present time, which means that Herefordshire Council is no longer a member of the company and so exempt from liability in the event of the winding up of the company. Why are officers in discussions about the extent of Herefordshire Council taking on liability for the debts of an “arm’s length; private limited company” unconnected and unaccountable to Herefordshire Council and operating out of a private residential address?

Question 2: In the public accounts for HFL the total directors remuneration increased by £24,041 (+16.21%) from £148,270 in the financial year 2011/12 to £172,311 in 2012/13. Contributions to the Local Government Pension likewise increased over the same period from £12,667 to £31,392. The report at point 21 explains that the Chief Executive of HFL waived salary in 2012/13 to increase his pension contribution. Is it correct though that this waive of salary meant that the Chief Executive of Hereford Futures Ltd still went home with more net pay than in previous years and a topped up pension fund as well when pay and jobs were being cut in Herefordshire Council?

Question 3: I appreciate what the report says about Councillors as Ex Officio appointments to the Board of a publicly funded company, apparently hold minutes of board meetings of that company purely in their capacity as a director of that company. Does this mean then that any decisions made by those public appointees are purely made in their capacity as private individuals and therefore not in their capacity as Leader and Chief Executive of the Council?

GENERAL OVERVIEW AND SCRUTINY COMMITTEE

- Question 4:** Whilst no serving council officers are directors of HFL, from the only publicly available set of Board Meeting Minutes, serving council officers attended board meetings of Hereford Futures Ltd. What exactly is the situation regarding the minutes held by a full time officer of Herefordshire Council in attendance at board meetings of such a company?
- Question 5:** The Articles and Memorandum of Association of HFL permits directors to have, and benefit from, “conflicts of interests”. Does the County solicitor think this is acceptable in any company which is involved in handling millions of pounds worth of public money?