

Date: 10/04/19
Our Ref: RFI2641
Your Ref: FOI Request – Developments – Kettering and Wellingborough
Tel: 0300 1234 500
Email: foi@homesengland.gov.uk



Homes
England

[REDACTED]
By Email Only

Windsor House
50 Victoria Street
London
SW1H 0TL

Dear [REDACTED]

RE: Request for Information – RFI2641

Thank you for your request for information, which was processed under the Freedom of Information Act 2000 (FOIA). For clarification, you requested the following information:

What is the scheme referred to in the release. Is this one or two schemes?
If two schemes how is the £70m split between the two schemes?
Are Long Harbour, Midtown and Buccleuch Property involved with both schemes?
How does Homes England decide on where money is loaned to?
Was there a bidding process? Of so when was this?
Who made the decision to loan the £70m?
What are the terms of the loan? Is there a payback date, conditions on what the funds can be spent on? If so what are those conditions?
Are the minutes of Homes England meetings available. If so how can I access them?
What meetings has Homes England held with the three delivery partners of the schemes?
Has Homes England (or its predecessor Homes and Communities Agency) loaned any funds to any of these three companies or any other companies of which Craig Best, Aldred Drummond or Will Astor were directors of?
If so were these funds repaid? Or is there still a sum outstanding?
Has Homes England given funds to BeeBee Developments? If so how much, when and was it repaid?
What is the loan rate and repayment terms and conditions on the £70m. Also what date was this money given to the bidder.

Response

We are able to inform you that we do hold the information that you have requested. However, to comply with this part of your request would exceed the appropriate limit for the cost of compliance. We therefore rely on section 12, exemption where the cost of compliance exceeds the appropriate limit under the FOIA.

Section 12 - Exemption where cost of compliance exceeds appropriate limit

(1) Section 1(1) does not oblige a public authority to comply with a request for information if the authority estimates that the cost of complying with the request would exceed the appropriate limit.

(2) Subsection (1) does not exempt the public authority from its obligation to comply with paragraph (a) of section 1(1) unless the estimated cost of complying with that paragraph alone would exceed the appropriate limit.

(3) In subsections (1) and (2) “the appropriate limit” means such amount as may be prescribed, and different amounts may be prescribed in relation to different cases.

(4) The Minister for the Cabinet Office may by regulations provide that, in such circumstances as may be prescribed, where two or more requests for information are made to a public authority:

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(a) by one person, or

(b) by different persons who appear to the public authority to be acting in concert or in pursuance of a campaign, the estimated cost of complying with any of the requests is to be taken to be the estimated total cost of complying with all of them.

(5) The Minister for the Cabinet Office may by regulations make provision for the purposes of this section as to the costs to be estimated and as to the manner in which they are to be estimated.

The full text of the legislation can be found on the following link and we have quoted section 12 below for ease.

<https://www.legislation.gov.uk/ukpga/2000/36/contents>

We have considered the current wording of your request and in its current scope we have determined that to establish where all elements of the information is held, to locate the information, retrieving the information and extracting the information would exceed the appropriate limit.

Under the terms of the Act we are not obliged to provide any information compiled in the course of our searches prior to concluding section 12 is engaged.

Advice and Assistance

In compliance with the Section 45 Code of Practice and to offer advice and assistance under Section 16 of Freedom of Information Act 2000, you may wish to consider narrowing the scope of your request especially where you ask for recorded information held on meetings and minutes of this matter.

Over the period since Homes England first received a bid for loan funding for East Kettering in 2013, there have been numerous meetings and telephone meeting calls with the three delivery partners.

Please note that due to the broad scope of your request we cannot confirm that any further request would not also exceed the section 12 cost limit at this time.

Discretionary disclosure

We are able to provide the following information on a discretionary basis and outside the scope of the FOIA in order to provide further assistance.

What is the scheme referred to in the release. Is this one or two schemes?

There are two schemes, one a 5,500 home development at East Kettering and the other 3,000 home development at North Wellingborough.

If two schemes how is the £70m split between the two schemes?

Homes England has provided recoverable investments of £33.7m for East Kettering and £37.6m for North Wellingborough. This includes loans and allowance for costs, fees and rolled up interest.

Are Long Harbour, Midtown and Buccleuch Property involved with both schemes?

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Long Harbour and Buccleuch are involved in East Kettering. Long Harbour and Midtown are involved in North Wellingborough.

How does Homes England decide on where money is loaned to?

The Home Building Fund is open to private sector businesses that build new homes or prepare sites for housing developments. The Fund has some core eligibility criteria:

- Applicants will need to demonstrate that without this funding the scheme would not progress as quickly, or at all.
- Developments must be in England.
- The borrower must be a private sector entity which has majority control of the site.
- Development projects must build a minimum of 5 homes.
- Funding will not be provided for projects where in our view there is unjustified use of leasehold for new houses.
- The borrower must be a UK registered corporate entity.
- Infrastructure projects must ultimately lead to the development of new housing.

We are looking for, and will approve applications based on:

- The best value for money for the taxpayer.
- Projects that focus on areas of highest affordability pressures.
- The greatest potential for early delivery.
- Clear local support.
- Projects that support policy priorities such as strengthening the Small and Medium-Sized Enterprises (SME) developer market, brownfield development and diversification and innovation in the housing market
- Projects that support wider government housing priorities, such as estate regeneration, Garden Villages and Towns and making use of available public sector land.

Was there a bidding process? Of so when was this?

A bid for a loan for East Kettering was initially submitted to the Local Infrastructure Fund (“LIF”) in 2013. LIF was a fund administered by the Homes and Communities Agency to support infrastructure for large housing sites. The project was shortlisted following the bidding process and two loans totalling £15.0m were contracted in June 2014; a £10m loan for infrastructure and enabling works and a £5.0m loan for a primary school. The school is complete and opened in September 2015. The infrastructure and enabling works were partially complete when the project stopped in late 2015. Homes England has been in dialogue with the developer since that time over options for unlocking delivery and this culminated in provision of new facilities from The Home Building Fund in September 2018. The £5.7m balance on the infrastructure and enabling works loan was transferred into the new facility in September 2018.

A bid for a loan for North Wellingborough was initially submitted to the Large Sites Infrastructure Fund (“LSIF”) in 2014. LSIF was the successor to LIF. The project was shortlisted following a bidding process, but the loan did not

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proceed at that time. Dialogue with the developer continued and this culminated in provision of new facilities from The Home Building Fund in September 2018.

No bidding process is involved in the Home Building Fund. Applicants to the Home Building Fund are approved based on their eligibility. As with any development loan, applicants need to provide certain key pieces of information about their development plans and their business finances as part of the decision making process.

Who made the decision to loan the £70m?

The decision to loan the £70m was made by Investments Project Executive, the main decision making body for Homes England loans.

Has Homes England (or its predecessor Homes and Communities Agency) loaned any funds to any of these three companies or any other companies of which Craig Best, Aldred Drummond or Will Astor were directors of?

Homes England has not provided loans to Long Harbour, Midtown or Buccleuch Property.

Homes England provided a loan of £12.076m to BeLa Partnership Ltd for the Priors Hall project in Corby, Northamptonshire.

If so were these funds repaid? Or is there still a sum outstanding?

BeLa Partnership Ltd has not repaid any of the loan provided. BeLa Partnership Ltd entered administration on 24 October 2016.

Has Homes England given funds to BeeBee Developments? If so how much, when and was it repaid?

Homes England has not provided any funding to BeeBee Developments

Right to Appeal

If you are not happy with the information that has been provided or the way in which your request has been handled you may request an internal review by writing to;

The Information Access Team
Windsor House
50 Victoria Street
London
SW1H 0TL

Or via email to foi@homesengland.gov.uk

You may also complain to the Information Commissioner however, the Information Commissioner does usually expect the internal review procedure to be exhausted in the first instance.

The Information Commissioner's details can be found via the following link

<https://ico.org.uk/>

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Please note that the contents of your request and this response are also subject to the Freedom of Information Act 2000. Homes England may be required to disclose your request and our response accordingly.

Yours sincerely,

Information Access Team

For Homes England