

Email: infogov@homesengland.gov.uk

Making homes happen



Windsor House Homes England – 6th Floor 50 Victoria Street London SW1H OTL

Dear

RE: Request for Information - RFI3408

Thank you for your recent email, which was processed under the Freedom of Information Act 2000 (FOIA). You requested the following information:

We are interested in the value of land and buildings associated with Houghton Grange, Houghton Road, St.Ives Cambridgeshire which up until a few years ago belonged to The Biotechnology and Biological Sciences Research Council (BBSRC).

The land in question is divided into two parts of roughly equal size 1) the main Houghton Grange site which comprises a number of listed buildings including Houghton Grange itself and has planning permission associated with it, and the other 2) the Houghton Grange field site which is a large agricultural field adjoining the main site to the east which currently does not have permission granted.

Both parcels of land and buildings were either sold, or transferred to the Homes & Community Agency (Homes England) a few years ago for an undisclosed sum. The land registry search (attached) shows this to be the case.

By way of a freedom of information request, we would like to know the following:

- a) Was the freehold of the two parcels of land sold to the Homes & Community Agency, or was it leased or transferred?
- b) What was the total value realised from the sale, lease, or transfer value?
- c) If no valuation was attached to the sale, lease or transfer of land, what contractual obligations are the Homes & Community Agency working to in order to dispose of the site/s?
- d) How is the value realised from sale, lease or transfer broken down between the two parcels of land mentioned earlier (The main Houghton Grange site, and the Houghton Grange Field site)?
- e) In 2019, the main Houghton Grange site and beneficial rights were leased by Morris Homes again for an undisclosed sum. What was this sum and how long does the lease last for?

We asked for clarification regarding your meaning of "total value" and you advise that you are referring to any actual price paid, not the 'market value'; "In other words the base cost of the site which would have appeared in the accounts of H.E at the time of transaction."





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Response

We can confirm that we do hold some of the requested information. We will address each of your questions in turn.

a) Was the freehold of the two parcels of land sold to the Homes & Community Agency, or was it leased or transferred?

We are able to confirm that we do hold the requested information. The freehold title of the site comprising both parcels of land was transferred to the Homes & Communities Agency (Homes England) under the Public Land for Housing Programme. Further information on this programme can be found on the following link:

Public Land for Housing programme - GOV.UK (www.gov.uk).

b) What was the total value realised from the sale, lease, or transfer value?; the base cost of the site which would have appeared in the accounts of H.E at the time of transaction.

We are able to confirm that Homes England does not hold the information detailed in your request.

In order to conclude that the information is not held, we have searched with our responsible project and legal teams who would have the requested information if held.

The FOIA does not oblige a public authority to create information to answer a request if the requested information is not held. The duty under section 1(1) is only to provide the recorded information held.

The full text of section 1 in the legislation can be found here: https://www.legislation.gov.uk/ukpga/2000/36/section/1

Advice and Assistance

We have a duty to provide advice and assistance in accordance with Section 16 of the FOIA. To comply with this duty we are able to advise that under the Public Land for Housing Programme, multiple sites were transferred under a Statutory Transfer Order from the Department for Business, Energy & Industrial Strategy (BEIS) to Homes England. This transfer included the Houghton Grange site. The Statutory Transfer Order does not include a 'price paid' for any individual site. An overall amount was paid by Homes England to BEIS but this figure was for multiple sites.

c) If no valuation was attached to the sale, lease or transfer of land, what contractual obligations are the Homes & Community Agency working to in order to dispose of the site/s?

We are able to confirm that Homes England does not hold the information detailed in your request.

In order to conclude that the information is not held, we have searched with our responsible project and legal teams who would have the requested information if held.

The FOIA does not oblige a public authority to create information to answer a request if the requested information is not held. The duty under section 1(1) is only to provide the recorded information held.

Advice and Assistance

We have a duty to provide advice and assistance in accordance with Section 16 of the FOIA. To comply with this duty we are able to confirm that a Valuation Report *was* commissioned for the site. General aims of the Public Land for Housing programme can be found in the link provided in response to question A.





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d) How is the value realised from sale, lease or transfer broken down between the two parcels of land mentioned earlier (The main Houghton Grange site, and the Houghton Grange Field site)?
We are able to confirm that Homes England does not hold the information detailed in your request.

In order to conclude that the information is not held, we have searched with our responsible project and legal teams who would have the requested information if held.

The FOIA does not oblige a public authority to create information to answer a request if the requested information is not held. The duty under section 1(1) is only to provide the recorded information held.

Advice and Assistance

We have a duty to provide advice and assistance in accordance with Section 16 of the FOIA. You clarified that when you refer to 'value' you are referring to any price paid, not market value. Therefore, in line with our response to question b we can advise that the 'value' (being price paid) for the entire site is not held. Therefore this is neither held in relation to a split between the two parcels.

e) In 2019, the main Houghton Grange site and beneficial rights were leased by Morris Homes again for an undisclosed sum. What was this sum and how long does the lease last for?

We can confirm that we do hold the requested information. However, we are withholding the lease amount and length under the following exemption:

Section 43 - Commercial interests

Under section 43(2) Homes England is not obliged to disclose information that would, or would be likely to, prejudice the commercial interests of any party.

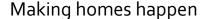
The information requested relating to the lease engages section 43(2) of the FOIA as it is commercial in nature and its release would be likely to prejudice the commercial interests of Homes England and other interested parties to the information.

Homes England has identified that the information requested, if released, would be likely to prejudice the effective future development of this site.

Section 43 is a qualified exemption. This means that once we have decided that the exemption is engaged, Homes England must carry out a public interest test to assess whether or not it is in the wider public interest for the information to be disclosed.

Arguments in favour of disclosure:

- Homes England acknowledges there is a general public interest in promoting accountability, transparency, public understanding and involvement in how Homes England undertakes its work and how it spends public money;
- Homes England are aware the site is subject to a neighbourhood plan and that potential development on the site directly affects this plan; and
- Homes England acknowledge that local residents are proposing forming a 'Community Land Trust' in relation to this site and that dissemination of information may assist the trust in supporting affordable housing on this site.





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Arguments in favour of withholding:

- The agreement for Lease between Homes England and Morris Homes which contains the requested information also sets out performance criteria placed on Morris Homes in relation to ongoing milestones, build targets, commencement dates, start on site dates and completion dates. To release the lease sum and length would directly affect Morris Homes' ability to comply with these contractual obligations. If the requested information were released third parties would be able to infer the value of works and potential value of the site. This would have a direct impact on Homes England and Morris Homes' ability to achieve market value at the development. This would affect value for public money and prejudice new homes which would not be in line with the strategic objectives set out by government that Homes England is tasked with achieving as per our strategic plan;
- Releasing the information could affect Morris Homes' ability to fulfil the covenants set out in the
 lease. It is imperative that the developer be able to work to achieve the contractual obligations set
 out in the contract without undue influence from third parties that could disrupt the development or
 contracting process. The lease sets out cost implications on the developer and furthermore failure to
 meet the agreed deadlines could result in a material breach of contract. This would have significant
 cost implications on both Morris Homes and Homes England. This would directly nullify public funds
 already spent and would be likely to inflate the cost of future spend on the site;
- Contracts between the parties contain confidentiality provisions in relation to the developer's covenants and ongoing legal obligations. Release of the information would breach these undertakings. This would be likely to cause significant detriment to Homes England in our relationship with a partner. As the government's housing accelerator Homes England has to support relationships with partners in order to achieve our strategic objectives and support home delivery with best value for public money. If partners felt that Homes England would reveal confidential commercial information in relation to developments where we are collaborating it would be likely that future partners would be unwilling to work with us or be wary of being open and transparent. This would cause significant risk in Homes England being able to invest public money and resources in the widest possible net of partners in order to achieve best value for money. It is imperative that Homes England are able to attract competitive partners and are respected in the market as a positive force;
- The requested information relates to a current and ongoing development. As outlined in the previous points, there are significant cost implications in relation to the phase 1 development if the information were released. Consequently, the site is split into two phases and the opportunities for the phase 2 land are not yet determined or concluded. Release of the information in relation to phase 1 would be likely to prejudice and diminish opportunities for the phase 2 land, which would be likely to result in substantial impacts on potential financial outcomes and delivery. This would not be in the public interest as it would prejudice the ability of Homes England to achieve best value for public money; and
- Though Homes England acknowledge there is local public 'interest' in the site, Homes England has been unable to identify a wider public interest in disclosing the information requested.

Having considered the arguments for and against disclosure of the information, we have concluded that at this time, the balance of the public interest favours non-disclosure.





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The full text of the legislation can be found on the following link; https://www.legislation.gov.uk/ukpga/2000/36/section/43

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. You can request an internal review by writing to Homes England via the details below, quoting the reference number at the top of this letter.

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The Information Governance Team Homes England – 6th Floor Windsor House 50 Victoria Street London SW1H OTL

Your request for review must be made in writing, explain why you wish to appeal, and be received within 40 working days of the date of this response. Failure to meet this criteria may lead to your request being refused.

Upon receipt, your request for review will be passed to an independent party not involved in your original request. We aim to issue a response within 20 working days.

You may also complain to the Information Commissioner's Office (ICO) 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/

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,

The Information Governance Team For Homes England