



Homes  
England

Date: 13 September 2021

Our Ref: RFI3555

Tel: 0300 1234 500

Email: [infogov@homesengland.gov.uk](mailto:infogov@homesengland.gov.uk)

Making homes happen

██████████  
By Email Only

Information Governance Team  
Homes England  
Windsor House – 6<sup>th</sup> Floor  
50 Victoria Street  
London  
SW1H 0TL

Dear ██████████

**RE: Request for Information – RFI3555**

Thank you for your request for information which was processed in accordance with the Freedom of Information Act 2000 (FOIA).

You requested the following information:

*I have been informed by Target HCA's complaints department that, after discussions with your organisation following their failure to collect direct debit management payment from a number of Help To Buy customers, for a period of time between at least November 2017 and 2021, they were instructed by Homes England that they were not able to write-off the management fees.*

*Can you confirm the guidance provided to Target HCS by Homes England about how they should proceed following the discovery of the uncollected direct debits and whether this was advisory, or mandatory?*

**Response**

We can confirm that we do hold information that falls within the scope of your request. We have interpreted your request for 'guidance' within the wider context of your statement to therefore refer to contractual or mandated instructions to the Mortgage Administrator.

Therefore we can confirm that Homes England's position on this matter and our instructions to Target are set out in the following document: '£1 Management Fee Mailer Restart – Change Request'.

The document is exempt from disclosure under the following FOIA 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.

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The document is an internal procedural request change which engages section 43(2) of the FOIA as the information 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 successful operation of the existing contract and the relationship between the parties. It would also be likely to prejudice effective competition and value for money for future procured services/the future re-tendering of the service.

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 administers public money; and
- Homes England acknowledges that there is an interest in making sure that income due to the government via the Help to Buy scheme is collected and that borrowers are aware of the contractual obligations regarding payment of management fees.

Arguments in favour of withholding:

- While Homes England and Target Servicing Limited are still in contract and the obligations of that contract ongoing, it would be detrimental to release the information requested. There is a high risk that disclosing the information would be likely to prejudice the commercial interests of the third party. The operational and commercial procedures of the third party could be exploited which could result in the contractual obligations being affected. This would not be in the public interest as public funds could be at risk if a contractor is unable to fulfil their requirements;
- To disclose information of internal processes would be likely to affect our ongoing and future relationship with the third party. There is a high risk that this would damage the performance of the contract if the relationship between Homes England and a supplier were prejudiced. This would not be in the public interest as Homes England may be unable to fulfil our requirements as set out in our strategic plan;
- The information would reveal Homes England and Target Servicing's internal processes. To release this information would not be in the public interest as it would undermine the necessity for public authorities to have a 'safe space' in which to assess and deliberate decisions that will directly affect commercial operations and public funds. This would not be in the public interest as it would negatively affect Homes England's ability to manage public money;
- Disclosing details of a third party's business processes and information not in the public domain may affect their relationship with other parties, including Homes England, and affect that party's reputation in the market. This would be likely to have a negative impact on the third party's ability to fulfil their contractual



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obligations with Homes England. This would not be in the public interest as it would be likely to negatively distort spending of public money; and

- 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.

### **Advice and Assistance**

We have a duty to provide advice and assistance in accordance with Section 16 of the FOIA. We can confirm that the document withheld from disclosure confirms that Target should pursue identified arrears in relation to uncollected management fees of £1 per month from customers. This instruction is in line with the 'Arrears Policy' between Homes England and Target, which forms part of our contractual arrangements with the Mortgage Administrator. Therefore, the instruction for the mortgage administrator to pursue the payment is 'mandatory'.

### **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.

Email: [infogov@homesengland.gov.uk](mailto:infogov@homesengland.gov.uk)

The Information Governance Team  
Homes England – 6<sup>th</sup> Floor  
Windsor House  
50 Victoria Street  
London  
SW1H 0TL

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/>



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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,

**The Information Governance Team**

For Homes England