



Homes
England

Date: 11 July 2022

Our Ref: RFI3878

Tel: 0300 1234 500

Email: infogov@homesengland.gov.uk

Making homes happen

██████████
By Email Only

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

Dear ██████████

RE: Request for Information – RFI3878

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:

The information I am requesting is with regards to 'House' the modular developer run by Urban Splash in partnership with Sekisui House and Homes England.

<https://www.housebyurbansplash.co.uk/about>

On 12 May 2022 it was confirmed that House had gone into administration.

<https://www.placenorthwest.co.uk/house-by-urban-splash-calls-in-administrators/>

I am keen to get information on the following:

- 1) *As of the 10 May 2022, how much money had Homes England invested in 'House' and its operations? If possible, could you please provide me with a breakdown by financial year?*
- 2) *As of the 10 May 2022 were there any Homes England staff members seconded from Homes England to House?*
- 3) *Can you provide me with the contract agreed between Sekisui, Homes England and Urban Splash agreeing the joint venture? If not, can you provide me with any contractual information on what happens to Homes England and its investment in the event of an administration to House?*

Response

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

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1) As of the 10 May 2022, how much money had Homes England invested in 'House' and its operations? If possible, could you please provide me with a breakdown by financial year?

We can confirm that we do hold some of the requested information. The amount invested by Homes England to 'House' is the equity subscribed for shares by Homes England to 'House' in 2019. This amount was a one-off transaction.

The amount itself is being withheld from disclosure under Section 22 FOIA. This exemption applies where information is intended for future publication.

The full text of the legislation can be found on the following link and we have quoted section 22 below for ease.

<https://www.legislation.gov.uk/ukpga/2000/36/section/22>

Section 22 - Information intended for future publication.

(1) Information is exempt information if:

- (a) the information is held by the public authority with a view to its publication, by the authority or any other person, at some future date (whether determined or not),
- (b) the information was already held with a view to such publication at the time when the request for information was made, and
- (c) it is reasonable in all the circumstances that the information should be withheld from disclosure until the date referred to in paragraph (a).

Section 22 is a qualified exemption. This means that in order to withhold information under this exemption, we must consider the public interest in disclosure.

Public Interest Test – Factors in favour of disclosure

Homes England is compliant with the government agenda of transparency and recognises the benefit of publishing the information, particularly when it concerns how Homes England undertakes its work.

Public Interest Test – Factors in favour of non-disclosure

We can confirm that the information that falls in scope of your request will be published in Homes England's annual report, which is still in draft form prior to publication.

Homes England's annual report is reviewed by the National Audit Office (NAO) before publication and before it is laid before parliament in accordance with the Housing and Regeneration Act 2008. It would not be in the public interest for Homes England to release information which is currently being reviewed and approved to ensure our reporting obligations are met. Furthermore, release of the information in advance of the planned publication would be likely to result in additional resource diverted to deal with queries and questions from the public/press which would be likely to be answered by statements prepared alongside the publication. This would not be in the public interest as it would be likely to divert public resources.

Therefore, after careful consideration we have concluded that at this time, the balance of the public interest favours the non-disclosure.



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Advice and Assistance

In compliance with the Section 45 Code of Practice (Paragraph 14) and to offer advice and assistance under section 16 of the FOIA we can advise that Homes England's annual report is expected to be laid before parliament on 19 July 2022, pending audit and review by the National Audit Office. The annual report will be published on the gov.uk website: <https://www.gov.uk/government/collections/homes-englands-annual-reports-financial-statements>.

2) *As of the 10 May 2022 were there any Homes England staff members seconded from Homes England to House?*

We can confirm that as at 10 May 2022, there were no Homes England employees seconded to 'House'.

3) *Can you provide me with the contract agreed between Sekisui, Homes England and Urban Splash agreeing the joint venture? If not, can you provide me with any contractual information on what happens to Homes England and its investment in the event of an administration to House?*

We can confirm that we do hold the information requested. However, we rely on section 43 (2) of the FOIA to withhold the information from disclosure.

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 contractual arrangements between Homes England and a partner 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 operation of our strategic plan, and the objectives placed on our organisation by Government.

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.

Arguments in favour of withholding:

- Homes England invest in partnerships and joint ventures to increase the pace and scale of our delivery and generate value for public money. To release this information would hinder our ability to negotiate the best possible deal for future similar matters as it would reveal our intentions and negotiating



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positions on commercial points and the value we place on these services. Agreements reached in this venture and contained within the contract are likely to serve as the basis for similar arrangements in the future with other parties. Therefore, release of the information would be likely to prejudice Homes England's ability to deliver to the scale required to meet the objectives of our strategic plan;

- Disclosure would also be likely to undermine confidence in Homes England by the wider industry, as potential partners would be deterred from approaching us if they felt their sensitive commercial arrangements would be released. If the contract were revealed to a wider audience, future negotiations for the same or similar ventures would be likely to be prejudiced. Partners would be deterred from working with us and accessing our assistance if they thought that their sensitive commercial and financial information would be disclosed. This would not be in the public interest as it would diminish the market for potential partners, resulting in less competitive allocation of public funds. To ensure value for public money Homes England needs to attract partners who will apply the investment we provide to deliver the homes that the market needs;
- Releasing the information would be likely to negatively impact future processes and proposals as potential partners may be deterred from applying to Homes England as partners if they felt commercially sensitive terms of the agreements they have entered into with us would be released to the public domain. This would impact the ability of Government officials to make effective, informed decisions regarding allocation of public funds. This would not be in the public interest as public funds could be allocated in a way that would not achieve best value for the public purse; 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.

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.

Email: infogov@homesengland.gov.uk

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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

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