

By Email Only

Dear

#### RE: Request for Information – RFI4581

Thank you for your request for information which was processed under the Environmental Information Regulations 2004 (EIR).

You requested the following information:

I understand that you have approved two grants from the Housing Infrastructure Fund to Guildford Borough Council for the Ash Road Bridge scheme totalling over £23 million.

Please provide the terms and conditions from the contract with GBC for the most recent of the two grants,

#### **Response**

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

# I understand that you have approved two grants from the Housing Infrastructure Fund to Guildford Borough Council for the Ash Road Bridge scheme totalling over £23 million.

We can confirm that there was only one approved grant from the Housing Infrastructure Fund (HIF) to Guildford Borough Council for the Ash Road Bridge scheme. The initial grant was for £10 million which was increased by £13.9 million in March 2021 by a deed of variation to the original grant agreement, now totalling £23.9 million.

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# Please provide the terms and conditions from the contract with GBC for the most recent of the two grants,

We can confirm that we do hold the requested information. We can confirm that the Grant Funding Agreement (GFA) for Guildford Borough Council HIF is not already publicly available.

We have determined that Regulation 12(5)(e) – Confidentiality of commercial or industrial information applies to the information requested. We have considered whether or not it is possible to separate the commercial information from other information contained in the GFA and have determined that the commercially sensitive information represents a 'golden thread' throughout the document and that it is not possible to separate the information contained within the GFA.

# Regulation 12(5)(e) – Confidentiality of commercial or industrial information

Under regulation 12(5)(e) of the EIR, Homes England may refuse to disclose information to the extent that its disclosure would adversely affect the confidentiality of commercial or industrial information where such confidentiality is provided by law to protect a legitimate economic interest.

Four elements are required for Regulation 12(5)(e) to be engaged:

1) The information is commercial or industrial in nature;

The GFA contains information concerning the financial and contractual commitments between the parties that relate to live commercial activity regarding prospective development and procurement. Therefore, it is commercial in nature as it relates to commercial activity.

2) Confidentiality is provided by law;

The withheld information is subject to confidentiality provided by law under a common law duty of confidence. The information has a common law duty of confidence because it is not trivial and not in the public domain. The information contained within the GFA was created by two parties who have entered into contractually binding confidentially terms. These terms show that the parties had the intention that a duty of confidentiality would be created between them. Homes England therefore recognises that this information was intended to be held in confidence between the parties.

3) The confidentiality is providing a legitimate economic interest;

The commercial environmental information contained in the GFA relates to the financial and contractual obligations, milestones, and targets of a site that is subject to development proposals. If the confidentiality of this information was breached it would harm the ability of Homes England and third

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parties to negotiate effectively and receive value for money for land and services at the site. There is a legitimate economic interest in protecting the ability of Homes England and third parties to negotiate in current and future commercial agreements.

4) The confidentiality would be adversely affected by disclosure;

Disclosure would result in third parties gaining access to commercially valuable information. Disclosure of the confidential information would harm the ability of Homes England to achieve good value for public money.

#### Public Interest Test

Regulation 12(5)(e) is subject to the public interest test. Once the exception has been engaged it is then necessary to consider the balance of the public interest in maintaining the exception or disclosing the information.

Under regulation 12(2) the public authority must apply a presumption in favour of disclosure, in both engaging the exception and carrying out the public interest test. In relation to engaging the exception, this means that there must be clear evidence that disclosure would have the adverse effect listed in 12(5).

# Factors in favour of disclosure

- Homes England acknowledge that there is a presumption in favour of disclosure regarding environmental information as well as a public interest in promoting transparency in how we undertake our work and allocate public money; and
- Homes England acknowledges that there is a public interest in large scale development processes and the robustness of the applications for funding submitted to the HIF.

# Factors in favour of withholding

The GFA between Homes England and Guildford Borough Council sets out performance criteria in
relation to ongoing milestones and targets, delivery and operational obligations, performance criteria,
and information relating to payments/repayments. To release the detail of these ongoing contractual
obligations between the parties would be likely to prejudice their ability to fulfil the requirements
agreed between the parties in the GFA. It is imperative that the Council be able to work to achieve the
obligations set out in the contract without undue influence from third parties that could disrupt the
development, contracting process, or prejudice other funding sources that could put the overall
scheme at risk. This would affect value for public money and prejudice new homes which would not be

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in line with the strategic objectives set out by government that Homes England is tasked with achieving as per our strategic plan;

- The GFA sets out requirements on the Council and furthermore failure to meet the agreed deadlines could result in a material breach of contract. This would have significant cost implications on both the Council 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, which would not be in the public interest as it would directly affect the public purse;
- The GFA contains confidentiality provisions in relation to the Council's obligations and 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 projects 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 is able to attract competitive partners and is respected in the market as a positive force;
- The requested information relates to a current and ongoing project where all opportunities/proposals have not yet been determined or concluded. If other potential or confirmed sources of funding became aware of the terms of the HIF funding and the obligations placed on the Council regarding this funding as contained in the GFA, it would be likely to prejudice the ability of Guildford Borough Council to negotiate for and secure other sources of funding. This would result in Homes England having to pay a higher grant than would have otherwise be the case, meaning greater cost to the public purse which would not be in the public interest;
- Releasing the information would be likely to negatively impact future funding processes and proposals
  to our funding schemes as potential partners may be deterred from applying to Homes England for
  grant funding if they felt information relating to their commercial and ongoing funding commitments
  would then be released to the public domain. This would be likely to result in a substantial impact on
  potential financial outcomes and delivery of the HIF. Furthermore, 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 distort
  regional need for development;
- The consequences of releasing data at a time when negotiations/proposals are ongoing would significantly prejudice the council's ability to deliver the program. The program is a key scheme and

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failure to deliver could lead to significant planning harm to the local area and affect the Council's ability to achieve the targets set out in their Local Plan. Therefore, release would be likely to put potential homes in jeopardy and affect Homes England's ability to deliver against its objectives in our strategic plan, which is not in the public interest; 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 Regulation 12(5)(e) in the legislation can be found via the following link: <u>The Environmental</u> <u>Information Regulations 2004 (legislation.gov.uk)</u>.

#### Advice and Assistance

We have a duty to provide advice and assistance in accordance with Regulation 9(1) of the EIR. In accordance with this duty, we can confirm that the Guildford Borough Council HIF GFA was created using the template GFA which we have previously made available. You can access this template via the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/9756 19/RFI3351 - HIF Land East of Otley.pdf

#### **Right to make Representations**

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 a reconsideration of our response (Internal Review). You can make this representation by writing to Homes England via the details below, quoting the reference number at the top of this letter.

Email: infogov@homesengland.gov.uk

The Information Governance Team Homes England 6<sup>th</sup> Floor Windsor House 42-50 Victoria Street London

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Your request for reconsideration must be made in writing, explain why you wish to appeal, and be received within 40 working days of the date of this response (Reg 11(2)). Failure to meet this criteria may lead to your request being refused.

Upon receipt, your request for reconsideration 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 <a href="https://ico.org.uk/">https://ico.org.uk/</a>

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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