



Eich cyf/Your ref
Ein cyf/Our ref ATISN 10167

Llywodraeth Cymru
Welsh Government

7 March, 2016

Dear

Request for Information – ATISN 10167

I wrote to you on 16 February regarding your request for information. You asked what payments had been made to CM International UK Ltd in the last 12 months and what each payment was for (excluding those dated 09/06/2015, 26/06/2015 and 28/08/2015). You also requested copies of any research studies that were funded by these payments.

I can confirm we hold information relating to your request. The payments made to CM International UK Ltd in the last 12 months are shown in the table below. However, I have concluded that providing a copy of the research studies undertaken for 'A4B', 'SMART Cymru' (Ref no's 1-4 refers) and 'Rural Development Plan' (Ref no's 8-10 refers) are exempt under section 22 (information intended for future publication) of the Freedom of Information Act.

I have also concluded that 'Innovation Centre for Enterprise (ICE) Final Evaluation Report' and 'Digital Innovation Company' (Ref no's 5, 6 & 7, refers) are exempt from disclosure under section 43(2) – Information prejudicial to commercial interests of the Freedom of Information Act 2000. Full reasoning for applying these exemptions are detailed at Annex A.

Ref no	Payment Date	Document type	Value of Total Payments
1	27.11.2015	SMART Cymru Review	- 19,560.00
2	16.02.2015	A4B Final Evaluation Report	- 22,740.00
3	22.05.2015	A4B Final Evaluation Report	- -9,096.00
4	19.11.2015	A4B Final Evaluation Report	- 13,644.00
5	24.11.2015	ICE Final Evaluation Report	- 18,240.00

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

6	13.02.2015	To provide a strategic positioning paper on how the Digital Innovation Company can support Welsh participation in RD&I funding programmes.	-4,560.00
7	17.04.2015	Review and report on the options available to the Digital Innovation Company, and the associated issues, in supporting Welsh organisations, including SMEs, to identify, develop and submit competitive funding bids.	-5,880.00
8	25.08.2015	Relating to the research / evaluation on the 'Rural Development Plan'	- 40,590.00
9	29.09.2015	Relating to the research / evaluation on the 'Rural Development Plan'	- 13,530.00
10	06.10.2015	Relating to the research / evaluation on the 'Rural Development Plan'	-6,765.00

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at:

Information Rights Unit, Welsh Government, Cathays Park, Cardiff, CF10 3NQ or FreedomOfInformationOfficer@wales.gsi.gov.uk.

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at: Information Commissioner's Office,

Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely

Annex A

Section 22 – Information Intended for Future Publication

Section 22 states that *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 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).*

I am of the opinion that subsections (a) and (b) above are met because the information is held with a view to its publication. We intend to publish the Supply Chain Efficiency Scheme Evaluation 'Rural Development Plan' (Ref no 8-10 above table refers) in March 2016 whilst the A4B and SMARTCymru (Ref no 1- 4 above table refers) reports will be published in due course. With regards to part (c), I have given consideration as to whether it would be 'reasonable in all the circumstances' that the information should be withheld from disclosure until the proposed publication date. I am of the opinion that releasing the information at this time would cause disruption to the Welsh Government's intentions in relation to its publication arrangements. Thus I am content that the exemption is engaged.

Section 22 is a public interested exemption. This means that, in order to withhold information, I must show that the public interest in withholding is greater than the public interest in releasing it.

In terms of the public interest, it is recognised that there is public interest in there being openness and transparency within Government.

The A4B and SMARTCymru (Ref no 1- 4 above table refers) reports were commissioned to evaluate the recently completed EU-funded programmes, managed by Welsh Government aiming to help Welsh businesses innovate and grow and we intend to publish both reports, this decision was made prior to receiving your request. The proposed publication date for this information has been agreed as part of normal business and will be published on the Welsh Government website in due course. The Supply Chain Efficiency Scheme Evaluation 'Rural Development Plan' (Ref no 8-10 above table refers) was commissioned to assess the effectiveness of the Scheme's approach and processes. We intend to publish the report of the evaluation in March 2016.

The Welsh Government has committed to publishing information of this nature on our website however there is a thorough validation process which is undertaken on the information to ensure its accuracy. By restricting access to the reports ahead of publication, we will be publishing the information in a co-ordinated manner to all people at the same time, and will ensure an editorial process is adhered to which will confirm the quality and integrity of data. Ultimately, this will improve the quality of information published.

To provide you with the reports ahead of their release would require Welsh Government staff to spend time on accelerating publication causing disruption to the Welsh

Government's pre-set programme in relation to this work. The current arrangement of future publication allows for the planning and management of their release in such a way that disclosure does not disrupt work.

Also, an accelerated release of reports which involve research, drafting preparation and meticulous inspection might result in inaccurate, unchecked information being disclosed prematurely, misleading the public.

To that end, I do not think it is reasonable in all the circumstances or in the public interest to release this information prematurely. Rather, I believe the public interest would be best served if the information were released as scheduled. I am satisfied therefore that the balance of the public interest falls in favour of withholding the information.

ATISN 10167 – Application for Exemption

Decisions relating to non-disclosure have been taken with due consideration of the exemption identified under section 43(2) of the Freedom of Information Act 2000 (FOIA). In considering whether to release or withhold the requested information I have to consider the effects of disclosure of the information to the world at large, rather than disclosure just to the requestor who may, or may not, have a particular interest in accessing the information.

Section 43(2) – Commercial Interests

Section 43(2) states that "Information is exempt if its disclosure under this Act would, or would be likely to prejudice the commercial interests of any person (including the public authority holding it)".

This exemption is a qualified exemption. I must therefore demonstrate that the public interest in withholding the information outweighs the public interest test in releasing the information.

Public Interest Test

I recognise the general public interest in openness and transparency that the release of the information would engender so as to help the public gain a better understanding of the decisions made by Government. It is also recognised that there is a public interest in how public money is to be, or has been, used to ensure that Government gets the best value from the public purse.

The two reports that CM International Ltd produced for the ICT Sector - 'Digital Innovation Company' (Ref no 6 & 7 above table refers) were in respect of the establishment of the Digital Innovation Company, subsequently branded as Innovation Point Ltd. Innovation Point Ltd is a private limited company established under the ownership of Welsh Government Ministers.

The research was used in the planning of strategic activity for the new company and the Welsh Government's ICT Sector Team. The approach taken in preparing the reports above relied substantially on the long standing expertise, experiences and invested knowledge of key members of staff at CM International. This invested knowledge represents a significant intellectual property asset for CM International and those

individuals that, in normal circumstances, can only be created by investing in a longstanding track record of active engagement with EU funding. I consider that releasing this information would be likely to place the company at a competitive disadvantage and so prejudice its commercial interests as it would provide a competitor with a significant advantage in respect of acquiring intellectual property that would otherwise involve them in a significant investment of time, money and knowledge creation and to the detriment of the future commercial position of CM International.

CM International Ltd also produced a final evaluation report for ICE (Innovation Centre for Enterprise) which contains sensitive commercial information on the business of Welsh ICE, its parent company and many of the members of Welsh ICE including possible future funding details. The report highlights sensitive financial information which, if placed into the public domain would be likely to put the company at a commercial disadvantage in what we recognise is a very competitive market as competitors would have access to a level of detail that they otherwise wouldn't have. It would also be likely to allow a commercial advantage to potential competitors were it to be disclosed, as well as prejudice their ability to secure future potential contracts.

I accept that, as a public body, the public will always have an interest in the work of the Welsh Government and that release of this information would engender our willingness to be open and transparent in the way we work. I also accept that this information would likely be of interest to the company's competitors.

I am satisfied that if this information was released into the public domain it would be likely to have a detrimental impact, as the information would be likely to be of interest to its competitors who are actively competing for similar business, and in light of the prejudice that would be likely to occur I do not believe it would be in the public interest to release the information requested.

In conclusion, I believe that the balance of the public interest therefore falls in favour of withholding this information.