

4 December 2024

Dear

ATISN 22078 – Request for Information on Social Housing Grant Awarded to Hafod Housing Association

Thank you for your request which I received on 6 November 2024. You asked for:

- The total sum of Social Housing Grant awarded to Hafod Housing Association (Hendre Group) for the scheme 'Cowbridge Grammar School', scheme reference VOG/21/1064.
- Information and evidence on which this was based.
- The site valuation.

Our response

The total sum of Social Housing Grant awarded to Hafod for the 'Cowbridge Grammar School' scheme is £1,381,250.

A copy of the information I have decided to release in relation to this award, including the valuation, is enclosed.

Please be aware that only the acquisition grant has been awarded to Hafod to date. The Social Housing Grant application form contains information on construction costs, however, at acquisition stage, these are estimated and for information only – they are not approved.

I have decided that some of the information is exempt from disclosure under section 43 of the Freedom of Information Act and is therefore withheld. The reason for applying this exemption is set out in full at Annex A to this letter.

Personal information has also been redacted.

Next steps

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 Email: Freedom.ofinformation@gov.wales

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

Application of exemption

The Freedom of Information (FOI) Act provides a right for anyone to ask a public authority to make requested information available to the wider public. As the release of requested information is to the world, not just the requester, public authorities need to consider the effects of making the information freely available to everybody. Any personal interest the requester has for accessing the information cannot override those wider considerations.

I have decided to withhold the following information:

- Construction costs in the application form and on pages 9 and 10 of the valuation report, under Section 43 of the FOI Act.
- Rent information in the application form and on page 7 of the valuation report, under Section 43 of the FOI Act.

This Annex sets out the reasons for the engagement of Section 43 of the FOI Act and our subsequent consideration of the Public Interest Test.

Engagement of Section 43 (Commercial Interests) of the Freedom of Information Act

This exemption states that:

(2) Information is exempt information 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).

Section 43 is a qualified (public interest tested) exemption. This means that in order to engage it, I must show that the public interest in withholding the information is greater than the public interest in releasing it. I have therefore given consideration to the effects of disclosure of the information to the world at large as the information is made available to anybody and everybody, not just the requester. As such, when considering your request I have considered the wider effects of disclosure rather than any personal interest you may have in being provided with the information.

Prejudice test

The information redacted is commercially sensitive and the release is likely to be prejudicial for the following reasons:

- The construction costs should be exempt from disclosure. The disclosure of this information would be likely to harm the procurement of the second stage contractor for the scheme.
- The rent information should be exempt from disclosure. If competitors were aware of this information it would be likely to put Hafod at a commercial disadvantage.

Public Interest Test

In order to satisfy the public interest test in relation to the exemption, it is necessary to conclude that the public interest arguments in favour of withholding the information are sufficient to *outweigh* the public interest arguments in favour of release.

Public interest arguments in favour of disclosure

Construction Costs:

Releasing the information on the construction costs in the valuation report could enhance public understanding of the costs of a housing scheme.

Rent:

Releasing the information on the proposed rent for properties in the scheme could enhance public understanding of the rent charged by Hafod Housing Association.

Public interest arguments in favour of withholding

Construction Costs:

The information on the construction costs in the valuation report is commercially sensitive. The contractor for the second stage of the construction works hasn't been procured – if this information was released it would be likely to detrimentally affect the procurement process. This is because it would place indicative budgets into the public domain, allowing bidders to target the available money rather than the required work.

Rent:

Each Registered Social Landlord sets rents individually within certain Welsh Government parameters. Rental income is a consideration when valuing land. If other competitors had access to Hafod's rent matrix they would be likely to increase their rent beyond Hafod's and increase their land bid, putting Hafod at a commercial disadvantage.

Balance of public interest test

Construction Costs:

On balance the public interest lies in a fair procurement process, helping to ensure better value for money outcomes for the public purse. It is not in the public interest that commercial companies should suffer commercial loss on account of their former interaction with Welsh Government. As such I have decided to withhold the construction cost information contained in the application form and valuation report.

Rent:

On balance the public interest lies in confidentiality around the rent charged by a Registered Social Landlord. This helps to ensure commercial fairness in the housing sector. It is not in the public interest that commercial companies should suffer commercial loss on account of their former interaction with Welsh Government. As such I have decided to withhold the rent information contained in the application form and valuation report.