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Ref: 9/938

Re: Freedom of Information Act 2000: Documents relating to asset sales

Further to our letter of 07 December we have now completed our consideration of the public interest. I am sorry that it has taken slightly longer than we anticipated, this was mainly down to absences over the Christmas period.

You asked for copies of policy documents for the sale of assets announced by the Prime Minister on 12 October 2009. We defined your request as being for those policy documents relating directly to the sale of assets which contribute to the £16 billion target of asset sales by 2013/14.

With the publication of the *Operational Efficiency Programme: Asset Portfolio* on 7 December 2009 the Government has now set out the next steps for delivering this £16 billion from asset and property sales. The asset portfolio presents reviews of public sector businesses, and seeks to open a dialogue with the private sector to explore alternative options for their management, including partial or full sale for where appropriate. Given we are still in the early stages of the sale process (where this has been concluded to be the right approach), the only documents we have which relate directly the sale of assets presented in the portfolio, is the portfolio itself and the document it was published alongside – *Putting the Frontline First: smarter government*. You can find copies of these documents at the links provided below:

Operational Efficiency Programme: Asset Portfolio - <http://www.hmg.gov.uk/media/52715/oepp-assetportfolio.pdf>.

Putting the Frontline First: smarter government - <http://www.hmg.gov.uk/media/52788/smarter-government-final.pdf>

Further to the information above we also hold information in relation to the sale of UKAEA Ltd, the commercial arm of the United Kingdom Atomic Energy Authority, which was sold to the Babcock International Group on 02 November 2009. While the Department for Business, Innovation and Skills led on this issue, the Treasury does hold information including details and analysis of the bids. We have now completed our assessment in relation to s351(a) and S43(2). Having considered the balance of the public interest in relation to the exemptions, we have concluded that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.



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We recognise that there is a public interest in disclosure for greater transparency of asset sales; there is also a public interest in knowing that the FOI Act ensures greater access to government information.

However there are also powerful public interest test issues for not releasing the remaining information. Much of the information gives details and analysis of each bid received. If this information was released it would prejudice the commercial interests of each company as their competitors would gain a commercial advantage in future bidding processes.

Following the publication of the *Asset Portfolio*, the Government is seeking to open a dialogue with the market to explore alternative management options, including full or partial sales where appropriate. As such, it is in the public interest for the Treasury to maintain its relationship with the private sector. If the Treasury were to disclose information of the type detailed above, in relation to the UKAEA sale, it could deter parties from providing such detailed information and even from entering into a bidding process in future. This would harm the Government's commercial interests as it would undermine their ability to get the best deal for the taxpayer in any asset transaction.

Accordingly, I cannot disclose the information to which the above exemptions apply. You asked for an internal review on 12 January 2010, now that you have our final response please let us know if you would like us to proceed with an internal review.

If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Information Rights Unit
HM Treasury

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Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ.

Email FOI.responses@hmtreasury.gov.uk

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.



