

By email Mr Francis Irving

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 Date
 16 June 2010

 Our Ref
 FOI 1660/10

Your Ref

Dear Mr Irving

### APPLICATION UNDER THE FREEDOM OF INFORMATION ACT (FOI)

I refer to your email dated 24 May 2010, requesting the following information under the FOIA.

"Please send me information about the 14 ongoing service lines (the "S" series Charges) and 6 categories of project-based activity (the "P" series Charges) in the Aspire contract.

These charges are mentioned in the "ASPIRE CONTRACT OVERVIEW" which you helpfully sent me previously (see <a href="http://www.whatdotheyknow.com/request/contracts">http://www.whatdotheyknow.com/request/contracts</a> for aspire deal with c#incoming-82808)

For each charge, please send me basic information about the work that is carried out under the charge.

Under your duty to advise and assist me, it would be useful if you could send any other documents about the charges. For example, if you have summaries of the amounts spent under each one, or a listing of documents about each charge, that would be really useful."

An applicant's right in section 1 Freedom of Information Act 2000 (FOIA) is to be informed if a public authority holds the information described in the request and, if that is the case, to



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have it communicated subject of course to other provisions of the Act such as costs and exemptions.

I am writing to confirm that HMRC has completed its search for the information you requested.

I have attached a document which outlines 14 ongoing service lines (the "S" series Charges) and 6 categories of project-based activity (the "P" series Charges) in the Aspire contract. This information has been compiled from information in Schedule 2 of the Aspire contract. The document does not contain any sensitive pricing or other financial information relating to the "S & P line charges". The information is exempt from the obligation to disclose under s.43 FOIA.

# **Section 43(2) FOIA 2000**

Information is exempt from publication under s.43(2) if its disclosure under the Act would, or would be likely to prejudice the commercial interests of any person (including the public authority holding it).

It is considered that disclosure of contextual details about HMRC contract pricing and funding information would prejudice the commercial interests of HMRC as a contracting authority and our ability to deliver best value. It is also considered that release of such information would weaken our supplier's position in a competitive environment by revealing market-sensitive information or information of potential usefulness to its competitors

#### **Public interest**

Section 43(2) is a qualified exemption and therefore, HMRC has to consider the extent that, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

There is a public interest in knowing that public money is being used effectively and that HMRC is getting value for money when purchasing goods and services and that the Department's procurement processes are conducted in an open and honest way as it provides transparency as to the public's view of the effectiveness, or otherwise, of our Department.

However, there is also a public interest in withholding information where disclosure would be likely to prejudice the commercial interests of the Department by affecting adversely its bargaining position during contractual negotiations which would result in the less effective use of public money. Disclosure of future intent could adversely affect:

- the service provision we receive from incumbents
- our ability to make a market at the time we elect to compete any aspect of our IT requirements
- our ability to secure the best possible deal in the market, depending on market reaction to our long term sourcing strategy

On balance it is considered that the public purse is better positioned by ensuring that contract pricing and funding information remains commercial in confidence and that this commercial upper hand outweighs any public interest request in terms of how HMRC intends to buy IT services in the future. It is also judged that the commercial risk of disclosing contextual detail about the authority, its business objectives and plans is too great and far outweighs the benefit or public interest of disclosing or placing in the public domain this information

The attached annex to this letter sets out the exemption in full.

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If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/25, 100 Parliament Street London SWIA 2BQ. You must request a review 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 of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF

Yours sincerely

Eileen Tully

**HM Revenue and Customs** 

Information Management Solutions

Freedom of Information Manager

### Annex A

Exemptions

### **Applicable Exemption**

## Section 43 of the Freedom of Information Act provides that:

- "(1) Information is exempt information if it constitutes a trade secret.
- (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).
- (3) The duty to confirm or deny does not arise if, or to the extent that, compliance with section 1(1)(a) would, or would be likely to, prejudice the interests mentioned in subsection (2)."