



Department  
for Exiting the  
European Union

Freedom of Information Team  
Correspondence Unit  
9 Downing Street  
SW1A 2AG

[foi@dexeu.gov.uk](mailto:foi@dexeu.gov.uk)  
[www.gov.uk](http://www.gov.uk)

James Hirsch  
Via: request-480665-ec61f099@whatdotheyknow.com

Our ref: DEX001201

18 May 2018

Dear James Hirsch,

I refer to your request, where you asked:

---

"A brief review of the transparency data notes that the Department for Exiting the EU made a series of large payments to McKinsey, presumably for management consultancy services. I identify five payments during 2017: £1.9m (24 April), £0.5m (5 Sep), £0.75m (5 Sep), £0.3m (13 Sep) £0.4m (1 Dec)  
For each of the payments, I wish to understand - as precisely as possible - what benefit, the taxpayer received.  
I therefore ask to see, for each of these five payments, a list of the deliverables produced in exchange for each payment, and a brief note as to what type of information/advice the deliverable contains."

---

I can confirm the Department for Exiting the European Union (DExEU) holds information relevant to your request.

For clarity, the £1.9m cited relates to a notice that was published on the gov.uk Contracts Finder web page which confirms that the contract was awarded, rather than an actual payment. The remaining 4 payments cited are correct and together constitute the total contract value listed on 24th April.

Further the details of the contractual relationship and the information we can share publicly is available in the published contract attached to the Contracts Finder notice:

(<https://www.contractsfinder.service.gov.uk/Notice/60a363d9-6234-433d-ad30-554f8f0c10a5>)

In response to your question regarding the benefits the taxpayer received, this service was crucial in its support of the initial cross government policy coordination effort in the early stages following the Department for Exiting the European Union's conception. This contract enabled the department to utilise advanced technical project management capabilities. McKinsey advised the Department on its organisational design and provided assurance

mechanisms to monitor progress, including options for consideration in relation to design principles, structure, key capabilities and operating model. This advice supported initial decisions over the Department's organisational design and governance structures.

Release of information on deliverables and the information and advice relating to each deliverable is exempt under Section 43 of the Act. Section 43(2) protects information which would, or would be likely to prejudice the commercial interest of any person, including the public authority holding it. Guidance from the Information Commissioner's Office (ICO) states that a 'commercial interest' relates to a person's ability to participate competitively in a commercial activity. Further guidance from the ICO states that Section 43 can be used for a public authority to protect the commercial interests of a third party. In this case, Section 43 is being used to exempt disclosure of information believed to be commercially sensitive to McKinsey.

Section 43 is a qualified exemption and I have considered whether the balance of the public interest favours releasing information relating to the work undertaken by McKinsey. There is a public interest in understanding the benefit from work undertaken by McKinsey as transparency may increase public trust in and engagement with the government.

However, there is a strong public interest in withholding this information as it may indicate commercially sensitive information concerning the work carried out by McKinsey at the Department. Release of this information could give McKinsey's competitors a competitive advantage and may in turn weaken their market position.

Furthermore, the release of this information and the precedent it sets may not only prejudice the future relationship between DExEU and McKinsey, but also jeopardise DExEU's relations with any other third party company in any future or current contract. The release of this commercially sensitive information could inhibit the Department's ability to secure the work of third party companies in future, which may in turn be detrimental to the operating of the Department and the wider Government, which is not in the public interest.

Taking into account all of the circumstances of the case, I have determined that the balance of public interest favours withholding this information.

---

If you have any queries about this letter, please contact the FOI team. Please remember to quote the reference number above in any future communications.

If you are unhappy with the service you have received in relation to your request or wish to request an internal review, you should write to [foi@dex.eu.gov.uk](mailto:foi@dex.eu.gov.uk) or:

Freedom of Information Team (internal review)  
Department for Exiting the European Union  
9 Downing Street  
SW1A 2AG

You should note that DExEU will not normally accept an application for internal review if it is received more than two months after the date that the reply was issued.

If you are not content with the outcome of your internal review, you may apply directly to the Information Commissioner for a decision. Generally, the Commissioner cannot make a

decision unless you have exhausted the complaints procedure provided by DExEU. The Information Commissioner can be contacted at:

The Information Commissioner's Office  
Wilmslow  
Cheshire  
SK9 5AF

Yours sincerely,

**Freedom of Information Team, DExEU.**