

Danny Kerrigan
request-222936-5fe581ec@whatdotheyknow.com

10 October 2014

Dear Mr Kerrigan,

FOI14-1123

I am writing regarding your request for information received 1 August 2014 2014. Your request has been considered under the *Freedom of Information (FOI) Act 2000*.

In your request you have stated:

I would like to know the rent paid for each office building used by HS2 Ltd.

Please find this information below:

For Grosvenor Place, London, SW1, HS2 Ltd pays £263, 375 in rent per year.

For Sanctuary Buildings, Great Smith Street, London, SW1 HS2 Ltd occupies the 5th floor of the building under an occupational agreement with the Department for Education. The Licence Fee under that agreement is a proportion (9.99%) of the rent and service charge costs of the whole building. In respect of the rent only this is £1,234,764 per year. Please note that the overall fee (of which the above figure is a part) includes 9.99% of services charges for the building.

In relation to the office space HS2 Ltd occupies in Canary Wharf, London, we are withholding the amount paid in rent as commercially sensitive information, which is covered under s.43(2) FOI Act 2000. This is subject to the public interest test which we have included at appendix one of this response. Section 43(2) can be read in full at the following link:

<http://www.legislation.gov.uk/ukpga/2000/36/section/43>.

If you are unhappy with the way we have handled your request or with the decisions made in relation to your request, you may complain in writing to HS2 Ltd at the above address. Please also see attached details of HS2 Ltd's complaints procedure and your right to complain to the Information Commissioner.

Please remember to quote reference number **FOI14-1123** in any future communication relating to this request.

Kind regards

Karen MacKnight

Appendix One – Public Interest Test

FOI14-1123:	Rent paid for HS2 Ltd office space in Canary Wharf, London.
Date:	10 October 2014
FOIA Exceptions: s.43(2) Information likely to prejudice the commercial interests of any person.	
Factors supporting disclosure	Factors supporting non-disclosure
<ol style="list-style-type: none"> 1) Statutory responsibility to release information to the public in a timely manner as outlined in HS2 Ltd's publication scheme; 2) General public interest in the disclosure of information to ensure transparency and visibility of public bodies being held to account regarding decisions made; 3) There is also public interest in transparency and accountability to ensure that public funds are being used effectively and that the department is getting value for money in the goods and services it purchases and/or the projects it funds. 	<ol style="list-style-type: none"> 1) Canary Wharf Group (CWG) rent office space to multiple clients within the same building and property development. If the rent paid by HS2 Ltd was made public this may disadvantage them when negotiating rent, or rent reviews, with other clients. 2) It may also harm CWG's existing financing arrangements and have an effect on revenues. 3) There is a public interest in ensuring companies are able to compete fairly. CWG is not a monopoly and is competing against similar rivals within London and nationally. If competitors could see the rents charged they could adapt their own rents and contracts to unfairly compete. 4) There is a public interest in HS2 Ltd and government more generally, being able to maintain the trust and confidence of their suppliers and negotiate for favourable contracts and rates. CWG have a superior lease with a sub-lease who in turn leases the property to HS2 Ltd by way of an underlease. The superior lease contains express provisions requiring the rent to be treated as confidential

	<p>information. These obligations in the superior lease are passed onto HS2 Ltd via the underlease. Releasing this information under the Freedom of Information Act may damage the trust such companies place in HS2 Ltd as a client and may impair HS2 Ltd's ability to negotiate with such companies for rates and contract provisions that represent best value for the taxpayer.</p> <p>5) Releasing the information would prejudice the commercial relationship between the leaseholders and the Landlord, Canary Wharf Group (CWG).</p>
<p>Conclusion: The decision to withhold the information is upheld in light of the arguments against disclosure. The information is commercial in nature and release would be likely to adversely impact the commercial interests of a third-party, CWG. There is a general public interest in favour of disclosure, particularly when it comes to the use of public funds, however there is also a public interest in ensuring that private companies are able to compete fairly with rivals and are not disadvantaged by having commercially sensitive information publically released. There is also a public interest in ensuring that public bodies, such as HS2 Ltd, do not lose the trust of their suppliers and are able to secure the best value for the taxpayer. In light of this we consider that the reasons against disclosure outweigh the general public interest in releasing information.</p>	

Your right to complain to HS2 Ltd and the Information Commissioner

You have the right to complain to HS2 Ltd within two calendar months of the date of this letter about the way in which your request for information was handled and/or about the decision not to disclose all or part of the information requested.

Your complaint will be acknowledged and you will be advised of a target date by which to expect a response. Initially your complaint will be re-considered by the official who dealt with your request for information. If, after careful consideration, that official decides that his/her decision was correct, your complaint will automatically be referred to a senior independent official who will conduct a further review. You will be advised of the outcome of your complaint and if a decision is taken to disclose information originally withheld this will be done as soon as possible.

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