



HM Treasury

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Freedom of Information Act 2000: Banking fines

Thank you for your Freedom of Information enquiry of 12 April in which you asked for the following information:

1. *"Please can you provide all emails concerning the awarding of grants to Care After Combat, as were announced in November 2015's Autumn statement. Please include their initial application for funding and any responses, all internal emails discussing the awarding of funding to the charity, and any between the Treasury and the charity.*

Please can you also send any administrative documents relating to the government's assessment of the charity's suitability for funding and its decision to award the funding.

2. *Please can you provide all emails concerning the awarding of grants to Central Manchester University Hospitals Charity, as were announced in March 2016's Budget. Please include their initial application for funding and any responses, all internal emails discussing the awarding of funding to the charity, and any between the Treasury and the charity.*

Please can you also send any administrative documents relating to the government's assessment of the charity's suitability for funding and its decision to award the funding."

We wrote to you on 11 May explaining that we held information in scope which we believed engaged section 35 (formulation or development of Government policy) or section 36 (prejudice to the effective conduct of public affairs) of the Freedom of Information Act 2000 (the Act). We also explained that we needed more time to consider the public interest balances in relation to that information under section 10(3) of the Act.

We also wrote to you on 3 August to apologise for the delay in our response and the inconvenience caused, explaining that we were aiming to provide our response by close on

Friday 2 August. We wrote to you again on 5 September to explain that we were continuing to work on your reply and, subject to third parties, were hoping to respond to you in full by 16 September.

We have now considered these balances and this letter sets out our conclusions.

We consider that a small amount of the information that we have identified engages the exemption at section 35(1)(a) - development of Government policy - under the Act.

Section 35(1)(a) is a qualified exemption and we are required to balance the public interest balance between disclosure and withholding the information, which relates to the allocation of banking fines (LIBOR) to support the work of two charities in particular: Care After Combat Limited and Central Manchester University Hospitals NHS Foundation Trust Charity.

In relation to the release of this information, we recognise that there is a clear public interest in transparency and accountability of the Government. We also recognise the broad public interest in furthering public understanding of the issues which public authorities deal with and how awards are made. There is a clear public interest in the work of Government departments being transparent and open to scrutiny to increase diligence and understanding of the ways in which the Government operates.

Balanced against this is the public interest in protecting the Government's ability to discuss and develop policies and to reach well-formed conclusions. The information Commissioner has recognised that policy development needs a degree of freedom to enable the process to work effectively and we consider that there is a strong public interest in protecting information where release would be likely to have a detrimental impact on the ongoing development of policy. There is a strong public interest in protecting against encroachment on the ability of Ministers and officials to formulate and develop policy options freely and frankly.

In this case, we consider that disclosing the information held, which relates to the approvals process for funding provided to two named charities, would or would be likely to prevent officials from conducting rigorous and candid assessments of the options available to them, and that disclosure might close off discussions and the development of better options now and in the future. Clearly this would not be in the public interest, the interests of the Government or charities. Taking these public interest balance reasons into consideration we conclude that the overall balance lies in withholding the information.

However I can confirm that HM Treasury is releasing the following information in scope of your request. The details are as follows:

- Care After Combat (Autumn Statement 2015)
 - application letter
 - project summary
 - grant letter
 - grant agreement
 - Phoenix Report

- Manchester Children's Hospital (Budget 2016)
 - application /project summary
 - frequently asked questions

- initial response to application letter
- grant decision letter

Please note that the Manchester Children's Hospital grant is still being processed and as such the grant agreement has yet to be signed and monies have not been paid.

We have redacted signatures under section 40(2) of the Act, which relates to personal data. This is an absolute exemption when it relates to information which is not about the requester.

In order to assist your research into the LIBOR process, you may like to be aware that the application process for the next tranche of potential LIBOR awards, which will be considered by the Chancellor at the Autumn Statement, will shortly be advertised on the GOV.UK website. Prospective applicants will be able to register their interest by emailing: liborgrantinfo@hmtreasury.gsi.gov.uk

In a similar vein, I also attach the LIBOR Grant reporting form, which all grant recipients are required to complete and submit together with supporting evidence, as part of the feedback and auditing process.

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

Information Rights Unit

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