



Llywodraeth Cymru
Welsh Government

20th September 2016

Dear ,

ATISN 10694: Request for information regarding the contract between Student Loans Company and HCL regarding the Core Banking Platform Software and Services Agreement dated 28th February 2014.

Thank you for your request which I received on 24th August. You asked for:

1. Any communication (including emails, meeting minutes and any other documents) between SLC, the Department for Business, Energy & Industrial Strategy, the Scottish Ministers, the Welsh Government and/or the Department for the Economy in Northern Ireland regarding the potential for public money to be wasted upon the termination the Agreement between 1 January 2015 and [23 August 2016];
2. Any and all communications (including emails and meeting minutes) and/or any other documents regarding the decision to terminate the Agreement between 1st January 2015 and [23rd August 2016].

Whilst the Welsh Government confirms it holds information of this description, I have decided that it is exempt from disclosure under section 43(2) of the Freedom of Information Act (Commercial interests) and is therefore withheld. The reasons for applying these exemptions are set out in full at Annex 1 to this letter.

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at:

Information Rights Unit,
Welsh Government,
Cathay's Park,
Cardiff,
CF10 3NQ

or Email: FreedomOfInformationOfficer@wales.gsi.gov.uk

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at:

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

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely

Annex 1

Section 43(2) – Commercial interests.

Section 43(2) states:

(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).

Section 43 is a public interest tested exemption. That means, in order to withhold information under it, it is necessary to show that the public interest in favour of withholding it outweighs that in releasing it.

Public interest arguments in favour of disclosure

The Welsh Government acknowledges the inherent public interest in openness and transparency that release would engender. Further, it is recognised that those organisations in receipt of public money should expect a degree of public scrutiny into how that money is to be, or has been, used. There is also a public interest in ensuring that those charged with spending public funding do so fairly and that they, and hence the public, obtain the best value from that expenditure.

Public interest arguments in favour of withholding

The Student Loan Company (SLC) both procures and operates contracts with private sector 3rd party organisations. It also ensures value for money for the UK government and devolved administrations who rely on the SLC to deliver student finance to higher and further education learners and higher education institutions. We believe that release of this information into the public domain at this present time could impede ongoing discussions regarding the CLASS contract and harm the SLC's ability to participate competitively or negotiate effectively with other third parties in the future, as well as their ability to procure new delivery partners. We believe that this harm to the SLC's ability to engage fairly in this market would be likely to prejudice their commercial interest as it would have serious short and long-term implications for SLC's future procurement exercises. The Welsh Government does not believe this would be in the public interest. Whilst it is in the public interest that the expenditure of public money is scrutinised, it is not necessary to make every detail of expenditure available to allow the public to establish whether value for money is being obtained, and we believe there already exists sufficient information in the public domain to enable this. For example, SLC Main Board papers are available on the SLC website.

Because of that, we believe the public interest favours withholding and so the information has been withheld under section 43(2) of the Freedom of Information Act.