

#### Information Governance

Coventry City Council PO Box 15 Council House Coventry CV1 5RR

www.coventry.gov.uk

Please contact Information Governance Direct line 024 7697 5408 infogov@coventry.gov.uk

1 May 2020

Dear Sir/Madam

# Freedom of Information Act 2000 (FOIA) Request ID: REQ07048

Thank you for your request for information relating to the cost of the lease for a property in Hertford Street.

Your request and our responses are outlined below:

1. I would like to know the cost of the lease of the property in Hertford Street that used to be the Cannon/ABC Cinema/JJB/DW Sports which will be home to the new Empire venue.

# 2. I would also like to see the official documentation relating to the lease and any conditions.

The Empire has signed an agreement for the lease with the Council which will grant them a three year lease once they have secured the required change of use for the property and undertaken the costly works required to achieve compliance with statutory requirements.

Due to the proposed City Centre South regeneration plan, the estimated cost of work and the fact that the lease will be for three years, the rent has been agreed at a peppercorn. The Empire will however be responsible for all other occupational costs including contributing to a service charge for the block.

With regard to your requests for the cost of the lease and for copies of documentation relating to the lease, we are unable to provide you with this information as it is commercially sensitive. The Council believes that disclosing the information that you requested would prejudice its commercial interest, and therefore it is exempt from disclosure under Section 43(2) FOIA.

Section 43(2) explains that information will be exempt if its disclosure would, or would be likely to prejudice the commercial interests of any person. This exemption is qualified. Even if information falls within section 43(2) of the Act, public authorities must then apply the public interest test set out in section 2 (2) (b) of the Act. The information can only be withheld if the public interest in maintaining the exemption outweighs the public interest in disclosure.

The Information Commissioner suggests considering the following factors when applying the public interest test to this exemption:

# Does the information relate to, or could it impact on a commercial activity?

Yes, the commercial activities of the Council could be compromised if costs of the lease were to be disclosed as it would compromise its ability to negotiate competitive future leases.

#### Would there be damage to reputation or business confidence?

Yes. It is important that the Council maintains a confidential contractual relationship with its customers to ensure trust and confidence in it as a contracting party.

#### Whose commercial interests are affected?

The Council's and the tenants who rent/lease property from the Council.

#### Is the information commercially sensitive?

Yes, the lease is subject to market conditions.

### What is the likelihood of the prejudice being caused?

The likelihood of prejudice being caused is high as disclosure would damage the Council's ability to price themselves in a profitable manner within a commercially competitive market.

The public interest applies. In relation to the public interest test the following should be recorded:

- Public interest factors in favour of disclosure
- Public interest factors in favour of maintaining the exemption
- The outcome of the public interest test.

The information can be only withheld if the public interest in maintaining the exemption outweighs the public interest in disclosure.

There is an inherent public interest in ensuring that there is openness and transparency in the spending of public money. Transparency is likely to increase confidence in procedures and decisions made by the Council. It will also enable the public to understand whether the Council is getting value for money from its decisions.

Factors in favour of maintaining the exemption:

• Disclosure would damage the Council's future ability to negotiate leases competitively

• The Council must ensure that its business activities are confidential to maintain business confidence from its customers

The factors against disclosure outweigh the factors in favour of disclosure. As the public interest test is met, the exemption applies and your request for this information is refused.

The supply of information in response to a freedom of information request does not confer an automatic right to re-use the information. You can use any information supplied for the purposes of private study and non-commercial research without requiring further permission. Similarly, information supplied can also be re-used for the purposes of news reporting. An exception to this is photographs. Please contact us if you wish to use the information for any other purpose.

Should you wish to make any further requests for information, you may find what you are looking for is already published on the <u>Council's web site</u> and in particular its FOI/EIR <u>Disclosure log, Council's Publication Scheme, Open Data</u> and <u>Facts about Coventry</u>.

If you are unhappy with the handling of your request, you can ask us to review our response. Requests for reviews should be submitted within 40 days of the date of receipt of our response to your original request – email: <u>infogov@coventry.gov.uk</u>

If you are unhappy with the outcome of our review, you can write to the Information Commissioner, who can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF or email <u>casework@ico.org.uk</u>.

Please remember to quote the reference number above in your response.

Yours faithfully

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