



HM TREASURY

Information Rights Unit

1 Horse Guards Road London SW1A 2HQ

John Glare
[\[mailto:johnclare@nabcustomersupportgroup.org\]](mailto:johnclare@nabcustomersupportgroup.org)

Tel: 0207 270 5000
www.hm-treasury.gov.uk
public.enquiries@hmtreasury.gsi.gov.uk

Our ref: R06/14

16 April 2014

Dear Mr Glare,

Freedom of Information Act Internal Review: FST Correspondence with FCA

Thank you for your email of 8 March, received on 10 March in which you asked us to internally review our response to your request (reference 14/0070).

We have now completed our internal review and I am writing to inform you of its conclusions. The review was conducted by officials not involved with your original request, and the conclusions contained within this letter have been endorsed by a Treasury Team Leader.

Your Request

In your request of 20 January you wrote to the Assistant Private Secretary (APS) to the Financial Secretary to the Treasury (FST), Sajid Javid and asked for the following information:

- a copy of the FST's reply (Greg Clarke) to Martin Wheatley's letters of 25 February and 9 May 2013 or alternatively a precise account of his response if it was not in written form.

You provided a link to these letters on the Treasury Select Committee (TSC) site. The Committee's remit is to scrutinise the work of the FCA and the letters were provided in support of oral evidence given by Martin Wheatley, the Chief Executive of the Financial Conduct Authority's (FCA) in one of the FCA's six monthly hearings with the TSC.

The FST's APS passed your Freedom of Information Act request to the Treasury's Information Rights Team (IRU) and we replied on 18 February.

Our Reply

In our previous reply we advised that we held some information that we considered fell within scope of your request. We withheld the information from disclosure as we considered it engaged the qualified exemptions at section 35 (1) (a) and section 43 (2) of the Act. While we recognised the public interest in transparency and openness we considered the public interest balanced in favour of withholding at that time.

Review Request

In your review request you say that you consider the public interest supports disclosure. You explain that the letters are about a very serious matter. They seek to bring to the attention of Ministers a significant banking malpractice. You consider that asking for details of the Minister's reply does not amount to depriving the Minister of space to formulate and develop policy. You told us you wish to know how the Minister responded and that by not disclosing the Minister's response the Treasury's Information Rights Unit had acted in a way that undermined the spirit of the Freedom of Information Act.

Conclusion

The review has concluded that that the information that was previously identified as in scope of your request is in fact out of scope as it does not respond to the issues raised by Martin Wheatley in his letters of 25 February and 9 May 2013. Although this information is not in scope of your request the Review has concluded that the exemptions at section 35 (1) (a) and section 43 (2) of the Act were correctly applied.

The review has also concluded that HMT Treasury does not hold any correspondence from FST to Martin Wheatley in response to his letters of 25 February and 9 May 2013 or other information providing a response. As this is an area of ongoing work, discussions between FCA and Treasury officials are frequent and do not always involve an exchange of letters at senior level.

To be helpful, I can advise that the Minister asked HMT officials to pursue a voluntary agreement from banks on information and transparency for embedded loans. The Government has now reached a voluntary agreement through the British Bankers Association (BBA) that banks will provide the same level of disclosure of features within embedded loans (such as break costs) as for products that fall within scope. Most importantly, the banks will now ensure that break costs are fully explained and worked examples are provided.

Please be assured that the Treasury has, on your behalf, carried out a thorough and considered review of the request you made and the responses that the Treasury gave under the FOI Act.

If you are not content with the outcome of this internal review, you have the right to apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by HM Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely,

Kate Jenkins

Kate Jenkins
Head of Information Rights Unit
On behalf of HM Treasury