

Freedom of Information Act 2000 (FOIA)

Decision notice

Date: 31 January 2023

Public Authority: British Business Bank
Address: Steel City House
West Street
Sheffield
S1 2GQ

Decision (including any steps ordered)

1. The complainant has requested that the British Business Bank ('the BBB') provide certain information regarding two commercial entities; Maven and Mercia (M and M) and the Northern Power House funds which M and M manage. The BBB disclosed relevant information it said it held and provided advice and guidance as to why some of the information was not held.
2. The Commissioner's decision is as follows:
 - On the balance of probabilities, the BBB has provided the complainant with all of the relevant information within the scope of their request which they hold and they hold no further recorded information relevant to the complainant's request. Consequently, the BBB has complied with section 1(1) of FOIA.
3. The Commissioner therefore does not require the BBB to take any corrective steps.

Request and response

4. On 22 March 2021, the complainant wrote to the BBB and requested the following information:

'Number of investments made by Mercia utilising NPIF funds

Number of investments made by Mercia in pre revenue start-ups utilising NPIF funds

Total amount of all investments made by Mercia utilising NPIF funds

Total amount of all investment made by Mercia pre revenue start-ups utilising NPIF funds

Total number of 'later stage'* applications made to Mercia for funding number of investments made by modern utilising NPIF funds

Number of investments made by Maven in pre revenue start-ups utilising NPIF funds

Total amount of all investments made by Maven utilising NPIF funds

Total amount of all investment made by Maven pre revenue start-ups utilising empire funds

Total number of 'later stage'* applications made to Maven for funding

Total number of pre revenue start-ups that applied to Maven for funding

All of the above for the years 2017,2018,2019 and 2020

*Later stage is intended to mean anything that isn't pre revenue.'

5. The BBB responded to the request on 16 April 2021. It advised that it did hold some of the information within the scope of the request:

'We do hold data on the number of investments and amount invested by NPIF funds. We have provided data for the Y&H/TV Equity Fund, managed by Mercia Asset Management and NW Equity Fund Managed by Maven Capital Partners in the attached spreadsheet, which shows the cumulative totals at 31st December for each year requested.'

6. The BBB explained that it was unable to provide information about businesses that are 'pre revenue start-up' or 'later stage' in the way the complainant asked as it does not hold data that classifies this information. It uses the industry standard terminology of early stage, start-up etc, with fund managers allocating investments accordingly.

7. Following an internal review the BBB wrote to the complainant on 17 May 2021. It stated:

'As previously advised, we do not hold data on whether a business is a pre-revenue start-up. The investments classified as Start-up or Early Stage businesses may or may not be pre-revenue and it should be noted that pre and post revenue is not the same as pre and post commercial sale (the definition of Start-up used by NPIF).'

8. The BBB went on to explain its relationships with M and M stating:

'In relation to your point regarding Maven and Mercia being sub-contractors, we do not consider Maven or Mercia to be sub-contractors of the Bank. There is therefore no requirement for the British Business Bank to request data from Mercia or Maven to respond to an FOI request.'

Scope of the case

9. The complainant contacted the Commissioner on 2 June 2021 to complain about the way their request for information had been handled. The complainant said that they believed the BBB had not provided all of the information it held within the scope of the request. Nor had it demonstrated it had applied any scrutiny to the request.
10. The Commissioner wrote to the BBB on 15 February 2022 and asked for more information about the relationship between the BBB, M and M and its role in the NPIF.
11. The Commissioner received a response on 14 March 2022. In the response the BBB explained its relationship with M and M and its role in the NPIF. However it had not made clear why it did not have an interest in the information held by M and M or the NPIF, or if either party held information on behalf of the BBB. Therefore, the Commissioner considered that in order to reach a determination in the matter more information was required.
12. The Commissioner wrote to the BBB on 16 August 2022 and asked for clarification about information which may be held by M and M on behalf of the BBB. The Commissioner also asked the BBB if it had made enquiries with M and M as to whether they were able to assist in providing some of the information to the complainant.
13. The BBB responded on 5 September 2022 and said that as M and M are not agents or subcontractors of the BBB and nor has the BBB outsourced

any obligations to them, they would not hold information on behalf of the BBB. As such M and M would be under no obligation to share information with the BBB in response to this request.

14. The Commissioner has considered whether, on the balance of probabilities, the BBB holds further recorded information within scope of the complainant's request and whether it has complied with section 1(1) of FOIA.

Reasons for decision

15. Under section 1(1) of FOIA anyone who requests information from a public authority is entitled under subsection (a) to be told if the authority holds the information and, under subsection (b), to have the information communicated to them if it is held and is not exempt information.

16. The complainant asked the BBB for the following:

'The British business bank has relationships with two commercial entities (Maven and Mercia)

Who dispersed Northern Powerhouse funds on behalf of the British Business Bank.

I'm trying to make an assessment of what proportion of the funds disbursed by (Maven and Mercia) are invested in pre revenue start ups.'

I would like the following information to be provided please:

	2017	2018	2019	2020
Number of investments made by Mercia utilising NPIF funds				
Number of investments made by Mercia in pre-revenue start-ups utilising NPIF funds				
Total amount of all investments made by Mercia utilising NPIF funds				
Total amount of all investment made by Mercia pre-revenue start-ups utilising NPIF funds				
Total number of 'later stage'* applications made to Mercia for funding				

Total number of pre-revenue start-ups that applied to Mercia for funding				
Number of investments made by Maven utilising NPIF funds				
Number of investments made by Maven in pre-revenue start-ups utilising NPIF funds				
Total amount of all investments made by Maven utilising NPIF funds				
Total amount of all investment made by Maven pre-revenue start-ups utilising NPIF funds				
Total number of 'later stage'* application made to Maven for funding				
Total number of pre-revenue start-ups that applied to Maven for funding				

*Later stage is intended to mean anything that isn't pre-revenue

17. In its response of 16 April 2021 the BBB advised:

'On review of this request, we feel it important to note that Mercia & Maven are not our sub-contractors. In our response dated 17 May 2021, we explained that Northern Powerhouse Investments Limited (the entity in this structure which is administered by ¹BBFSL) is a limited partner (i.e. an investor) in the NPIF funds; it cannot lawfully bind the funds or participate in their day-to-day management. The Mercia and Maven entities are fund managers which are responsible for the investment decisions and managing the investment of the relevant funds. This is not our activity which they are undertaking on our behalf - it is their role and not ours.

The information in the format the complainant has requested is not required by us nor required by the fund managers to deliver the investment funds in question. Our subsequent enquiries have also now confirmed that the information is not collected in the form requested and so does not exist.'

¹ British Business Financial Service Limited (BBFSL)

18. M and M are, as fund managers, responsible for the investment decisions and managing the investment of relevant funds. This is their role and not something that they are doing on behalf of the BBB.
19. However the BBB did provide the complainant with the held data which, it considered, met the request as closely as possible.

The BBB said:

'Start-Up' (Prior to the first commercial sale). Note that the 'start up' data does not distinguish between pre- and post- revenue start-ups.

Early Stage' (Operating in any market for less than seven years).

'Expansion' (New Markets or Products).

Growth

20. Having considered all the circumstances, the Commissioner accepts the BBB's position that it does not hold the specific information requested by the complainant which is in dispute. The Commissioner is satisfied with the explanation that the BBB does not hold the information in the requested format and that it has provided the information held which meets the criteria as closely as possible based on the information it does hold.
21. The Commissioner also accepts that M and M do not hold the information on behalf of the BBB. As such, the Commissioner has decided that the BBB has complied with section 1(1) of FOIA.

Right of appeal

22. Either party has the right to appeal against this decision notice to the First-tier Tribunal (Information Rights). Information about the appeals process may be obtained from:

First-tier Tribunal (Information Rights)
GRC & GRP Tribunals
PO Box 9300
LEICESTER
LE1 8DJ

Tel: 0203 936 8963
Fax: 0870 739 5836
Email: grc@justice.gov.uk
Website: www.justice.gov.uk/tribunals/general-regulatory-chamber

23. If you wish to appeal against a decision notice, you can obtain information on how to appeal along with the relevant forms from the Information Tribunal website.
24. Any Notice of Appeal should be served on the Tribunal within 28 (calendar) days of the date on which this decision notice is sent.

Signed.....

Jonathan Slee
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Wycliffe House
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