Cost of the Freedom of Information Act to central government departments
Initial analysis of spring 2006 costing exercise

Overall cost of the Freedom of Information Act to central government

Costs to departments

A	Operating budgets of central FoI teams	£6,350,000
	Operating costs outside of central teams	
B	Initial request casework	£5,010,000
C	Internal Review casework	£360,000
D	ICO appeal casework	£1,160,000
E	Information Tribunal cases	£360,000
F	Allowance for very high burden cases	£500,000
G	Other overheads (IT, Counsel fees, etc.)	£1,750,000
	Total	**£15,490,000**

Costs borne centrally

H	DCA Central Clearing House	£850,000
I	FoI costs of Information Commissioner	£5,000,000
J	FoI costs of Information Tribunal	£550,000
	Total	**£6,400,000**
	GRAND TOTAL (excluding "new burdens" transfer)	**£21,890,000**
K	"New burdens" transfer from DCA to ODPM to support FoI roll-out in local government	£4,900,000
	GRAND TOTAL (all costs to central govrnment)	**£26,790,000**

Notes

23 bodies participated in the process costings data collection exercise, all but two of which (Northern Ireland Assembly and Office for Government Commerce) are included in FoI central government monitoring. All results from this exercise have been "grossed-up" to represent the FoI workload of all monitored bodies, plus these two additional participants.

Detailed notes

A – Derived from FoI central unit cost data. Responses from 19 of 23 participating bodies, with adjustment for non-response. Balance between items A and G will vary between departments according to their budgetary arrangements, as in some cases the Central Team's budget will include all major overheads, while in others there will be significant costs outside of this budget.

B – Derived from process timings data for initial requests. Does not include time spent on casework by FoI central unit staff (approx. 16% of total process time) since this is counted as part of these teams' budgets at A.

C – Derived from process timings data for Internal Reviews. Does not include time spent on casework by FoI central unit staff (approx. 60% of total process time) since this is counted as part of these teams' budgets at A.

D – Assumes that:
- Central government accounts for approx. 30% of Information Commissioners total caseload
- ICO received approx. 2250 cases during 2005, and caseload will continue at this level
- An ICO Appeal takes a department four times as many person hours to deal with as an initial request case where exemptions are applied
- Appeals work is handled by staff at higher grades than initial request work (additional cost of £10 per person hour)
- Contribution of staff in FoI central units is counted elsewhere at A. Disregarding this, overall unit cost of ICO appeals is approx. £1,650

E – Assumes that:
- Tribunal will process 120 FoI cases during 2006/07 (derived from business plans)
- As for ICO, central government accounts for approx. 30% of Tribunal's total caseload
- Tribunal appeals have an average unit cost to department of £10,000

F – Small number of very high-burden cases will be received in any given year that will not be fully reflected in process cost exercise results. This allowance is equivalent to the marginal cost of 7 full-time grade 7 staff to handle these cases.

G - Derived from FoI central unit cost data. Responses from 19 of 23 participating bodies, with adjustment for non-response. Balance between items A and G will vary between departments according to their budgetary arrangements, as in some cases the Central Team's budget will include all major overheads, while in others there will be significant costs outside of this budget.

H – Derived from DCA budget for 2006/07

I – Value of grant-in-aid to cover ICO's work on FoI issues during 2006/07, excluding a one-off transfer (approx. £550,000) to fund backlog clearance and the implementation of organisational changes at the ICO.

J – Total budget for IT for 2006/07, with slight reduction (c. 10%) to account for its non-FoI work (i.e. DPA and EIRs).

K – Agreed annual value of transfer from DCA to ODPM to support first three years of FoI implementation in local government under "new burdens" rules. Value of transfer was £9m in 2005/06, and will be £4.9m annually in 2006/07 and 2007/08.

Time spent processing requests

Average time spent processing initial FoI requests was **6 hours 46 minutes** across all surveyed bodies. Looking solely at Departments of State, the average was 1 hour higher at **7 hours 46 minutes**. Where a request was either partially or fully refused by applying an exemption, the average time was markedly higher at **13 hours 31 minutes**.

The following table shows the overall average time spent on each stage of the request answering process (in minutes) by officials across all surveyed bodies. Time spent by Board level officials and Ministers was not counted (there was a simple tick-box to record whether or not they were involved) and their contributions are therefore not included in this table.

	Central FoI team	Policy officials	Total
(1) Allocation, Logging and Case Admin.	22	24	**46**
(2) Searching for / Obtaining Information	10	82	**92**
(3) Reading time	13	59	**73**
(4) Considering response under FoI Act / EIRs (within Department)	25	61	**86**
(5) Discussion elsewhere in central government (inc. DCA Clearing House)	5	19	**24**
(6) Consultation outside central government	1	13	**13**
(7) Drafting submissions / consultation with Board-level officials / Ministers	3	9	**12**
(8) Drafting of response (including redaction), and internal sign-off	16	43	**59**
Total	96	310	**406**

<u>Unit costs of requests</u>

The estimated marginal unit costs of cases are as follows:
Initial FoI / EIR requests - **£190**, of which
    £31 (16%) is accounted for by central FoI teams, and
    £36 (19%) is assumed to be accounted for by the involvement of Ministers and Board-level officials.
    [Note that Ministers and Board-level officials only become involved in around 10% of first-time FoI cases – this figure represents the estimated costs of their involvement averaged across <u>all</u> cases received]
Internal Reviews - **£592**, of which £357 (60%) is accounted for by central FoI teams. The data suggest that Ministerial and Board-level involvement only occurs in a small minority of IR cases. Given the small sample size, we cannot give a reliable estimate of the proportion of the unit cost this accounts for.

"Marginal costs" means that these estimates cover the request processing time only within the answering department, with no allowance for costs that are not directly attributable to a particular request. These additional costs include the ongoing overheads of departmental FoI units, and the costs of the DCA Clearing House and the Information Commissioner's Office.

Grade profile of officials working on FoI cases

The following shows the overall average time spent by officials of various grades, split by Departments of State and other surveyed bodies. It also shows the derived estimates of the "hourly rate" for FoI work. These draw on assumed hourly rates for staff in various Grade bands. These are based – approximately - on current DCA pay ranges, and include employers' National Insurance and estimated pension overheads. As in the preceding table, time spent by Ministerial and Board-level officials is not shown.

	Departments of State	Others	Overall	Assumed hourly rate
Administrative	44	31	40	£10.50
EO	84	71	80	£13.40
HEO / Fast Stream	110	39	90	£16.40
SEO	59	47	55	£21.50
Grade 7 / Grade 6	84	33	69	£34.70
Grade 5 and above	20	7	17	£46.80
Other Government Department contribution	47	32	43	£34.70
[Unknown / Other]	18	0	13	£34.70
TOTAL	**466**	**261**	**406**	
Derived "cost per hour" for FoI work	*£23.12*	*£21.17*	***£22.76***	

Searching and Reading Time

The following graph shows the cumulative distribution of searching and reading time for FoI requests in this exercise.

The graph is based on all case types where substantive searching would have taken place (i.e. all those except those which were resolved through "advice and assistance" or those which refused on vexatious, repeated or cost limit grounds). There were over 400 such cases in the sample. One extremely large case has been excluded since it would have significantly distorted the graph. A few cases did not have any searching or reading time recorded – presumably because the information being sought was brief and readily available – and these have been retained.

The graph shows the proportion of requests where the searching and reading time was less than the level shown. As the graph shows, half of all cases require no more than an hour of searching and reading time, and more than 90% of them require no more than one working day - assumed to be 7.5 hours. However, the 10% of requests which required the most searching and reading time account for a half of all official time spent these activities. This does bear out the hypothesis that small numbers of tricky requests account for disproportionate staff resource.

Cumulative distribution of searching and reading time for FoI/EIR requests in central government

- Searching time
- Reading time
- COMBINED

Hours (y-axis: 0, 2, 4, 6, 8, 10, 12, 14, 16, 18, 20)

Percentage (x-axis: 0%, 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90%, 100%)