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Our ref: FOI-11/5291  
Date: 2 June 2011



Dear 

**RE: YOUR FREEDOM OF INFORMATION (FOI) ACT REQUEST**

Thank you for your email of 9 May 2011. I have addressed each part of your request below.

The Legal Services Commission (LSC) is responsible for delivering, through high quality service providers, legal aid to people with legal problems in England and Wales. The LSC employs around 1,500 people.

- 1. How much you have paid out so far in redundancy payments?***
- 2. What is the total redundancy payment figure you expect to be paid out once the process is finished?***
- 3. How many people have so far been made redundant?***
- 4. How many people do you expect to be made redundant in total once the process is finished?***
- 5. What are the top five highest individual redundancy payments you have made so far. For each individual, can you state their job title and role.***

In the period between May 2010 (ie the General Election) and May 2011 the LSC spent £7,196,813 on redundancies including both voluntary and compulsory. This includes the sums for staff who have already left, and the estimated spend by the time the current process is complete.

Please note that we have not included costs of other former employees who may have left through other means, such as early retirement, the end of a secondment from another organisation, mutual terminations or compromise agreements.

A total of 94 people have so far been made redundant including both voluntary and compulsory. This figure includes those expected to depart by the time the current process is complete.

I would like to emphasise that the pay back period for exits is 1.3 years, and savings amount to £5.4m annually.

In response to part 5 of your request, I am able to provide the following figures for the highest paid five employees:

- 1) £275,400
- 2) £254,344
- 3) £234,720
- 4) £210,552
- 5) £182,022

I am unable to confirm their job title and roles because to do so would mean that they could be identified.

Individuals have a general expectation that the redundancy agreements between themselves and the LSC are private and confidential as they are personal to them. I consider that the information constitutes "personal data" under the terms of the Data Protection Act 1998 ("the Act") and as such may be exempt under section 40(2) of the FOI Act. In addition, section 40(3)(a)(i) of the FOI Act states that if personal information is requested by a third party and to release that information would breach one of the data protection principles then the information is exempt from disclosure. As this is a qualified exemption, I have considered whether the legitimate public interest in LSC as a public body being open and transparent, and accountable for the expenditure of public funds outweighs the individuals' rights to privacy. In the circumstances, I consider that the legitimate interests of the individual members of staff in maintaining the confidentiality of their personal data outweigh any wider public interest.

The LSC does publish annually a Remuneration Report relating to its most senior members of staff after the end of each financial year. You can find our most recent Remuneration Report at page 24 of our Annual Report and Accounts 2009/10 which is available on our website at:

[http://www.legalservices.gov.uk/aboutus/how/strategic\\_publications.asp](http://www.legalservices.gov.uk/aboutus/how/strategic_publications.asp)

### **The LSC's redundancy process**

Outside the scope of the FOI Act, I would like to provide you with further explanation of the LSC's redundancy process, beyond what you have specifically requested under the FOI Act, to put it in context for your information only.

The LSC is operating in a rapidly changing environment and one in which elements of our work are coming to a natural close or ceasing entirely. One of the contributory factors is the recommendation from an independent review that our policy function move across to the Ministry of Justice (MoJ).

We also have the pressures of:

- a 23% administration budget reduction to achieve over the Comprehensive Spending Review period to April 2014;
- a target date of October 2012 (subject to legislation being approved) for the LSC to be replaced by an Executive Agency of the MoJ; and
- the reform of legal aid, which will have impacts upon the way we undertake our business.

We therefore need to reduce our managerial overhead, whilst ensuring structures which give clear lines of accountability to all staff.

In order to implement the restructure, the LSC is undertaking a round of voluntary redundancies alongside any required compulsory redundancies. Any redundancy decisions are either due to the individual wishing to leave and the organisation being able to operate without their role, or a restructure resulting in some roles being re-designed to accommodate remaining work and some roles, as a result, being redundant. In the case of compulsory redundancies, where some of the work is still required, for those individuals whose role is at risk of redundancy, a matching exercise is undertaken to determine if any new role is determined to be suitable alternative employment. Another role may be offered as alternative employment subject to the individual possessing the requisite skills and accepting the post.

### **Right to review**

If you are dissatisfied with the handling of your FOI request, you have the right to ask for internal review. Internal review requests should be submitted within two months of the date of receipt of the response to your original letter and should be addressed to: Legal Director, Legal Services Commission, 4 Abbey Orchard Street, London SW1P 2BS.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House Water Lane, Wilmslow, Cheshire, SK9 5AF.

Yours sincerely

On behalf of Chief Executive's Office  
Legal Services Commission