

**Cost category** Costs in response to crime

**Cost item** Enforcement of financial penalties

**Definition** Costs incurred by the agency responsible for collecting fines, fixed penalties and any other financial orders (including compensation orders) made against offenders on conviction

**Theoretical discussion** link to

**Preferred estimation methodology** Identify the number of offenders fined for offence type j per annum and the total fined for all offences. Identify the total costs incurred by courts (or other agencies responsible for collecting the revenue). Multiply the total cost estimate by the proportion of fines involving offence type j to get total costs of enforcing financial penalties in respect of offence type j. Divide by an estimate (based on survey data) of the number of offences of type j committed per annum to infer an average cost per offence committed.

**Comments** During the later stages of the fines enforcement process an offender may be imprisoned for default or may have property seized. These costs should, strictly speaking, be included since they are resource costs incurred in the course of enforcing criminal sanctions. The revenue collected from financial penalties is ignored: it does not represent a cost

**Usage** These costs are often either ignored or treated as part of the costs of running the court system.

**Offences normally included** All offence types where an element of financial penalties or compensation may be ordered against a convicted offender.

proportion of offenders convicted of offence type j who are ordered to pay a financial penalty \* number convicted of offence type j \* average cost of collecting a financial penalty: divide this total cost by the estimated number of offences of type j to get average cost per offence.

**Formula** **Note:**  
**average cost of collecting a financial penalty estimated by dividing total expenditure on financial penalty collection by number of financial penalties imposed.**

**Data sources** Organisations responsible for the running of courts normally publish annual reports. These may well contain data on total spending, the number of fines, penalties and compensation orders imposed.

**Example**