

Prison costs

Cost category Costs in response to crime

Cost item prison costs

Definition The cost of imprisonment for an offence reflects the Present Value of the flow of costs associated with the average term of imprisonment imposed for an offence type and also the proportion of offenders imprisoned for that offence type

Theoretical discussion [link to relevant section in Bibliography]

Preferred estimation methodology present value of the costs of imprisoning an offender for the average length of prison term imposed for an offence, weighted by the probability that imprisonment is the disposal when an offender is convicted of that offence

Alternative is to base the estimate on the proportion of offenders in prison on audit day with a conviction for each offence type and to allocate total prison costs accordingly. If sentencing policy and offending patterns are stable through time then this approach should produce a similar estimate to the preferred methodology. Note that there are potential complications if the length of term actually served is significantly shorter than the term imposed and also where an indeterminate or life sentence is imposed. Since ex ante a court may assume the full term will be served this is the appropriate measure to use. With life terms the best response is to estimate the average length of term those who are released from such sentences have actually served. The total costs of prison places are generally fairly straightforward to estimate. In Justice statistics they are often split between costs of running establishments and Headquarters costs. For cost of crime estimation purposes we take the sum of the two. In practice there are costs associated with imprisonment that are included elsewhere.

Comments : for example prisoners released on conditional licence may need to be supervised in the community by probation service staff and/or by the police

Usage widely estimated in cost of crime studies: comparatively good data available from many countries via reports from the prison service

Offences normally included all offence types for which imprisonment is possible: includes all of the more serious offences plus others

Formula Total cost given by Present Value of the costs of imprisoning someone for the average term imposed for the offence type*number of offenders convicted and imprisoned for the offence. Divide by estimated number of offences (from survey data or recorded crime data) to get average prison costs per offence

Data sources national crime victim surveys for estimates of number of offences: reports of the national prison service for costs per prisoner year and for number in prison by offence type on audit day: sentencing statistics for the proportion of offenders imprisoned: international data available includes UNODC survey of average length of imprisonment term by offence type. Public expenditure data for the prison system, including both current spending and capital spending Detailed reports of each criminal justice agency involved, especially the prison service Data on the number of prisoners, if possible an inventory of prisoners by type of conviction at a single date Data on the costs per year of a prison place Crime statistics data including as many as possible of: Number of recorded crimes, by offence type, Total number of offences by type, estimated from victim surveys, Number of persons sentenced, by offence type, disposal type and length of prison terms.

Example 1 sexual offences

Example for England and Wales

average cost per prison place per annum	£28,486
average length of prison term for offence (years)	3.46

Calculation of Present Value of prison time per offender imprisoned
(discount rate applied is 3.5% pa)

year	Cost at current prices	PV
1	28,486	28,486
2	28,486	27,523
3	28,486	26,592
4	13,104	11,819

Total PV 94,419

number imprisoned during the year for this offence (from sentencing statistics) 2,701

total cost of imprisonment for offence (£ m.) 255.03

estimated number of offences (BCS) pa (say) 140,000

number of recorded offences in crime statistics 62,080

prison cost per recorded offence 4,108

prison cost per offence (reported & unreported) 1,822

Example 2 (hypothetical example)

many prison authorities conduct an annual audit of the offences for which inmates are being held the European Sourcebook contains this information. For EU consult 'Statistics in Focus: Crime and Criminal Justice' Eurostat,15/2007 Population and Social Conditions by making certain assumptions this list can be used to apportion total prison costs by offence type provided that sentencing policy is reasonably stable and & so long as the offence mix remains stable through the year the proportion of offenders who were imprisoned for offence k can be used as the proportion of prison costs attributable to k. For offence types where sentences are longer, the number of offenders will be higher (other things equal) since larger stock of such prisoners has accumulated.

Total costs of imprisonment, year	£25,000,000
date of prisoner listing:	2005-06 Jun-30

Burglary

Number of prisoners for burglary	100
Total number of prisoners	350
% of prison population	28.57
Total spend on prison for the offence	7,142,857.14
No. of recorded offences for burglary	10,000.00
Cost per recorded offence	£ 71,428.57

Sexual offences

Number of prisoners for sexual offences	150
Total number of prisoners	350
% of prison population	42.86
Total spend on prison for the offence	10,714,285.71
No. of recorded offences for sexual offences	2,000.00
Cost per recorded offence	£ 535,714.29

All offences

Number of prisoners for sexual offences	350
Total number of prisoners	350
% of prison population	100.00
Total spend on prison for the offence	25,000,000.00
No. of recorded offences for sexual offences	12,000.00
Cost per recorded offence	£ 208,333.33