

# RESEARCH FINDINGS *No.103*

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## THE COST OF CRIMINAL JUSTICE

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*The Home Office has been developing a computer model of the criminal justice process since 1993. The key aim of the model is to help estimate the cost of proposed policy initiatives affecting criminal law and procedure. This Research Findings presents the results of the most recent version of the model, covering the calendar year 1997 and financial year 1997–98.*

### KEY POINTS

- ▶ The average cost of a magistrates' court proceeding is £550.
- ▶ The average cost of a magistrates' court sentence is £250. The average cost of a prison sentence imposed at a magistrates' court is £4,950.
- ▶ The average cost of a Crown Court proceeding is £8,600.
- ▶ The average cost of a Crown Court sentence is £23,900. The average cost of a prison sentence imposed at the Crown Court is £30,500.
- ▶ The average cost per person proceeded against in the courts (including sentence) is £2,700.

(Figures include costs to all criminal justice agencies, such as the Legal Aid Board and Crown Prosecution Service.)

### BACKGROUND AND MODELLING PRINCIPLES

Measuring the cost of criminal justice is not easy yet it is essential to the proper appraisal of criminal policy. Since 1993, the Home Office – in collaboration with the Lord Chancellor's Department and Crown Prosecution Service – has been developing the Flows & Costs model, intended to produce such cost estimates. Before its development there was no common framework for drawing together the expenditure of different agencies, nor for tracking the incremental costs incurred as cases proceed through the different stages of the criminal justice process.

For example, if a reduction in police cautioning forms part of a new policy initiative, more suspects may be prosecuted instead. This means more prosecution paperwork for the police and Crown Prosecution Service, more legal aid bills to be paid and more court proceedings. Upon conviction, many offenders would receive a community sentence (supervised by probation services) or fine (collected by magistrates' courts).

The effects do not end there. Some offenders may default on their fines, others may breach the terms of

their community penalty. On return to court, some may be re-sentenced and a few may end up in prison. Thus, the consequences of the initial action could have repercussions throughout the criminal justice system, making ad hoc costing exercises very difficult.

As with all such models, it has been necessary to compromise between simplicity and accuracy, recognising that estimates are always better than wholesale ignorance, *provided they are treated with appropriate caution*. To this end the Flows & Costs model:

- seeks to provide estimates of the long run costs of the criminal justice process
- makes no attempt to measure any effects of bottlenecks in the system
- ignores the time dimension of the criminal justice process
- exhaustively allocates the costs of the criminal justice system to certain key events.

This means that the Flows & Costs model is not appropriate for short-run financial cash flow planning. Rather, it gives an indication of the likely resource

**Table 1 Costs for proceedings in magistrates' courts by plea and offence for 1997 – 1998**

Offence category	Guilty plea	Not guilty plea	Average
	£	£	£
Violence against the person	550	1,750	800
Sexual offences	650	1,900	950
Burglary	650	1,600	900
Robbery	850	2,100	1,100
Theft and handling stolen goods	500	1,500	700
Fraud and forgery	600	1,800	800
Criminal damage	550	1,800	750
Drug offences	550	1,550	700
Other indictable offences (excluding motoring offences)	550	1,700	800
All indictable offences (excluding motoring offences)	550	1,650	750
Indictable motoring offences	550	2,000	800
<b>All indictable offences</b>	<b>550</b>	<b>1,700</b>	<b>750</b>
<b>All offences</b>	<b>450</b>	<b>1,700</b>	<b>550</b>

Note 1: Estimates of the cost of summary offences have been excluded because they are not sufficiently reliable.

Note 2: Figures include costs to all criminal justice agencies, such as the Legal Aid Board and Crown Prosecution Service.

implications of policies over a much longer planning horizon. Ignoring the time dimension and bottlenecks implies that the criminal justice system will always expand or contract to meet changes in workload over time. This is clearly an over-simplification.

Allocating costs to key events reflects the fact that unit costs are available only for certain activities carried out by the different criminal justice agencies. All other expenditure, such as court administration and capital expenditure, are treated as overheads. In particular, the costs of non-completed proceedings are treated in this way. Consequently, the unit costs presented in this report are per person found guilty or dismissed/acquitted.

In total, the Flows & Costs model covers 35% of all criminal justice expenditure. The remainder is

almost all accounted for by the cost of police investigation, for which no unit costs are currently available. The model does not include monetary estimates of fear and pain suffered through crime, nor does it include the value of compensation paid to victims, the cost of insurance premiums or the value of stolen goods. In addition, it contains no information about the costs for prosecuting agencies, other than the Crown Prosecution Service (such as Customs and Excise, DVLA and the Serious Fraud Office).

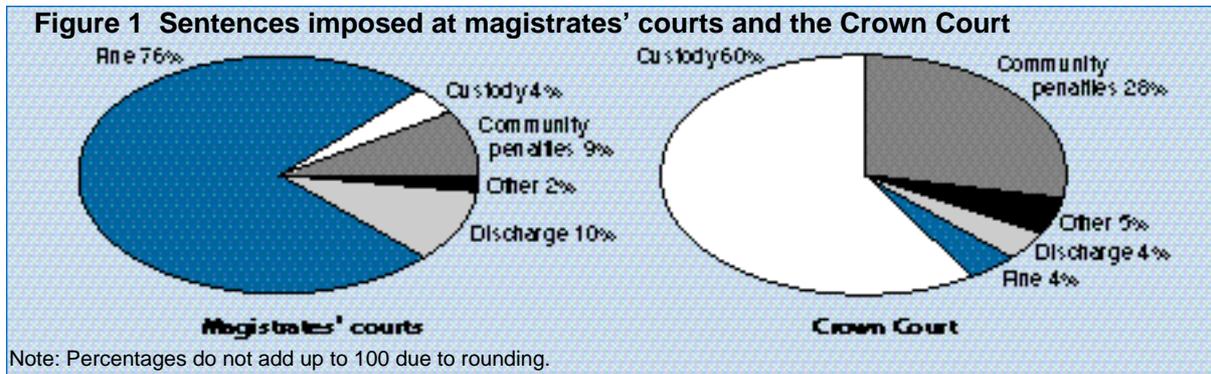
The results reported here represent the situation at time of publication. However the model is subject to continual improvement, as new and better data become available. For example, reliable police unit costs may soon become available. This would enlarge the scope of the model considerably and

**Table 2 Costs for proceedings in the Crown Court by plea and offence for 1997 – 1998**

Offence category	Committal for trial (at magistrates' court)	Guilty plea (at Crown Court)	Not guilty plea (at Crown Court)	Average (inc. committal proceedings)
	£	£	£	£
Violence against the person	1,050	2,700	17,650	10,800
Sexual offences	1,300	3,300	19,600	14,350
Burglary	1,000	2,050	10,000	4,350
Robbery	1,100	2,500	13,850	7,900
Theft and handling stolen goods	900	2,350	11,000	5,950
Fraud and forgery	1,800	5,750	71,550	26,650
Criminal damage	1,000	3,000	13,900	7,700
Drug offences	1,050	3,100	19,300	7,700
Other indictable offences (excluding motoring offences)	1,050	2,400	17,100	8,600
All indictable offences (excluding motoring offences)	1,050	2,650	18,150	8,850
Indictable motoring offences	900	2,400	7,850	4,550
<b>All indictable offences</b>	<b>1,050</b>	<b>2,600</b>	<b>17,550</b>	<b>8,600</b>

Note 1: The 'All indictable offences' category includes a small number of summary offences tried at the Crown Court.

Note 2: Figures include costs to all criminal justice agencies, such as the Legal Aid Board and Crown Prosecution Service.



would significantly increase the estimated cost per person proceeded against.

**MAGISTRATES' COURTS PROCEEDINGS**

Out of 1.9 million defendants proceeded against at magistrates' courts in 1997, about 400,000 had their cases terminated early for one reason or another and a further 90,000 were sent for trial at the Crown Court. Of the remainder, the overwhelming majority (97%) either pleaded guilty or were found guilty. The model treats the cost of non-completed cases as an overhead on this remainder.

Defendants can be proceeded against for either summary or indictable offences. Summary offences represent the less serious end of the spectrum, of which the majority are motoring offences. Indictable offences can be further sub-divided into 'indictable only' offences, which can only be tried at the Crown Court, and 'triable-either-way' offences. Where a defendant is proceeded against for more than one offence, the Flows & Costs model counts only the most serious offence.

Following conviction a small number of offenders are committed to the Crown Court for sentence. (In 1997 the rate was around one in 200 but has since increased dramatically, due to a change in criminal policy.) Although the cost of committal for sentence – around £1,500 – is incurred at the Crown Court, it is treated by the model as a component of the magistrates' court trial cost, since it cannot occur unless there has already been a finding of guilt at the lower court.

The estimates in Table 1 include the cost of police attendance, prosecution, legal aid and probation service pre-sentence reports, in addition to the cost of running the courts themselves. Summary offences have been excluded from this table because information is lacking on certain types of proceedings. Any inaccuracies in the cost estimates for summary offences would also influence the estimates for indictable offences.

**CROWN COURT PROCEEDINGS**

Around 90,000 defendants were proceeded against in the Crown Court in 1997. All would have been committed for trial by a magistrates' court. Although the cost of committal is incurred at magistrates' courts, the proceeding is an essential precursor for

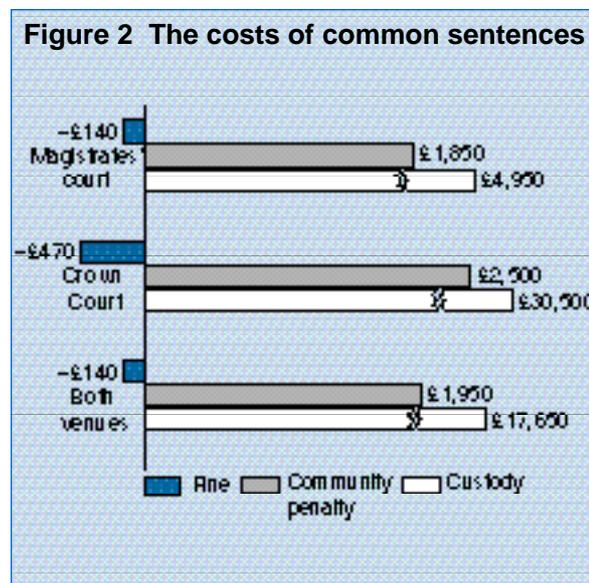
model as a component of the Crown Court trial cost. Table 2 gives average costs by plea and offence. Note that summary offences are generally not tried at the Crown Court unless they are accompanied by more serious, indictable offences.

**THE SENTENCE OF THE COURT**

Magistrates' courts and the Crown Court have a wide range of different sentences available to them and the pattern of usage varies considerably between the two venues (see Figure 1). When sentencing, magistrates and judges can take into account details of the defendant's previous convictions as well as any other offences which may be 'taken into consideration'.

In around 15% of cases a pre-sentence report (PSR) is produced by the Probation Service (or a local authority social worker in youth cases). The PSR includes an analysis of the current offence, relevant information about the offender, an assessment of the risk to the public of reoffending by the offender and information on suitable community sentences.

In the Flows & Costs model, PSRs can be treated as a court-related cost or a sentence-related cost. The latter method reflects the significant variation in PSR usage across different disposals, from less than 1% for fines to nearly 90% for probation orders. The figures quoted in this report treat PSRs as a component of the appropriate court proceeding.



Costs of the three most common types of sentence – fines, community penalties and custody – are shown in Figure 2. Fines are shown as negative costs since they represent income (paid to the Treasury Consolidated Fund). Not all fines are successfully collected, however, and these figures also exclude the administrative costs of collection.

### IN SUMMARY

The Flows & Costs model developed from an increasing recognition of the importance of costs in criminal justice policy appraisal. The model provides a systematic framework – but not a mechanical device – for estimating the ‘downstream’ effects of policies introduced earlier in the criminal justice process.

Table 3 summarises the costs of dealing with an individual for a ‘typical’ offence, as he or she proceeds through the criminal justice process. Pre-court costs include Green Form legal aid, police case preparation and police station duty solicitor schemes. Table 3 also gives the estimated cost of appeals against conviction and/or sentence and the cost of dealing with offenders who breach community orders.

Developments are currently underway to improve the measurement of costs in different parts of the criminal justice process. In particular, the Crown Prosecution Service has been developing an activity based costing system for some time now, the results of which have played an important role in the recent development of the Flows & Costs model.

### CAVEATS

The Flows & Costs model relies on timely and accurate data. Where this is unavailable, it has been necessary to make assumptions about the flow of defendants through the system and their associated unit costs. Absence of data also means that the coverage of the model is not oomplete (e.g. it excludes the cost of police work). Moreover, the costs quoted in this report are bound to differ from other published unit costs, which exclude capital expenditure and other miscellaneous items. Further developments will improve the coverage of the model and the resulting estimates. More information about the limitations of the model can be obtained from Richard Harries (see below).

### Criminal Justice Act 1991 – Section 95

- (1) The Secretary of State shall in each year publish such information as he considers expedient for the purpose of:
  - (a) enabling persons engaged in the administration of justice to become aware of the financial implications of their decisions; or
  - (b) facilitating the performance of such persons of their duty to avoid discriminating against any persons on the ground of race or sex or any other improper ground.
- (2) Publication under subsection (1) above shall be effected in such a manner as the Secretary of State considers appropriate for the purpose of bringing the information to the attention of the persons concerned.

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**Table 3 The cost of criminal justice in 1997 – 1998**

	Average pre-court costs		£250
	Average cost of remands to custody		£5,000
	Magistrates’ courts	Crown Courtvenue	Either
	£	£	£
Court proceeding	550	8,600	1,000
Sentence	250	23,900	1,600
Appeal	1,400	15,650	5,700
Breach	650	3,500	1,200
Average	800	32,050	2,700

Note 1: Appeals of decisions made at magistrates’ courts are heard at the Crown Court; those made at the Crown Court are heard at the Court of Appeal.

Note 2: Figures include costs to all criminal justice agencies, such as the Legal Aid Board and Crown Prosecution Service.

Improved management information systems are also being introduced elsewhere in the criminal justice system. As data from these systems become available, they will be incorporated into the Flows & Costs model, allowing the development of more accurate estimates of criminal justice costs.