

Title: A Smarter Approach to Sentencing - Overarching IA IA No: MoJ066/2020 RPC Reference No: N/A Lead department or agency: Ministry of Justice (MoJ) Other departments or agencies: Home Office	Impact Assessment (IA)		
	Date: 16/09/2020		
	Stage: Consultation		
	Source of intervention: Domestic		
	Type of measure: Primary legislation		
	Contact for enquiries: Catherine Elkington <sentencingwhitepaper@justice.gov.uk>		

Summary: Intervention and Options	RPC Opinion: N/A
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Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
-£542.6m	N/A	N/A	Not a regulatory provision

What is the problem under consideration? Why is government action or intervention necessary?

Government intervention is needed because confidence in sentencing is low. Too many serious and dangerous offenders are released too early from custody, not serving a sentence that reflects the severity of their crime and risking public safety. Sentencers and the public need to have confidence that there are effective and rehabilitative alternatives to custody for low-level offenders. We also need to do more to tackle the causes of much offending, particularly where it is driven by drug or alcohol misuse. The measures outlined in the Sentencing White Paper tackle these issues.

What are the policy objectives of the action or intervention and the intended effects?

The Sentencing White Paper proposes reforms to the justice system to ensure the sentence fits the crime thereby providing greater public protection and confidence. The proposals for serious violent offenders will remove existing inconsistencies in release provisions, ensure that serious offenders spend longer in prison, and that the release of offenders who become more dangerous while in custody will be at the Parole Board's discretion. For low-level offenders, improving provision of effective non-custodial sentencing options will improve public confidence, through capitalising fully on Electronic Monitoring technology, and enhancing community supervision delivered by a reformed National Probation Service. The proposals for changes to community sentences will also increase public protection through occupying offenders in meaningful and rehabilitative activity focused on offender needs and any risks they pose. Lack of employment is a major barrier to rehabilitation after release from custody and the reform to the criminal records disclosure regime will provide greater employment opportunities for ex-offenders.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

The following options are assessed in this Impact Assessment:

- Option 0 – Do nothing. Retain the current sentencing framework and provisions available for sentencing offenders, current system for out of court disposals and the current legislation for criminal record disclosure.
- Option 1 – Implement the White Paper provisions for the release of serious and dangerous offenders, for improving the custodial sentencing framework for children, for strengthening community sentences, for reform of the criminal records disclosure regime and for the simplification of the out of court disposal system as detailed in this impact assessment.

The Government's preferred approach is option 1 as this best meets the policy objectives.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: No set date.				
Does implementation go beyond minimum EU requirements?		N/A		
Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	Micro No	Small No	Medium No	Large No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded: N/A	Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: Robert Buckland Date: 16 Sep 20

Summary: Analysis & Evidence

Policy Option 1

Description: Implement the White Paper provisions for the release of serious and dangerous offenders, for improving the custodial sentencing framework for children, for strengthening community sentences, for reform of the criminal records disclosure regime and for the simplification of the out of court disposal system as detailed in this impact assessment.

FULL ECONOMIC ASSESSMENT

Price Base Year 2020/21	PV Base Year 2020/21	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -£482.8m	High: -£564.5m	Best Estimate: -£542.6m

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	£144.5m		£36.7m	£366.6m
High	£158.5m		£43.6m	£435.0m
Best Estimate	£151.5m		£42.0m	£419.7m

Description and scale of key monetised costs by 'main affected groups'

The main monetised costs of Option 1 are as follows:

- Prison Services: Between £128.2m to £140.7m running costs; £144.5m to £158.5m construction costs.
- Electronic Monitoring Service: £1.3m to £2.4m for increasing the caseload who will be monitored
- Probation Services: £41.2m to £50.2m from increased supervision, namely from increased probation powers.
- Youth Custody Service: £38.6m to £61.4m for increased youth custodial population due to DTO changes.
- MoJ: £1.5m for piloting, monitoring and management based on initial research specifications.
- HM Courts and Tribunals Service and Legal Aid Agency: £1.7m for the simplification of the OOC system.
- Youth Offending Teams: between £24.3m and £47.3m for expanded youth community supervision.

Other key non-monetised costs by 'main affected groups'

Not all main affected groups are listed here, though the key ones are:

- Prison Services and the Youth Custody Service will face increased population and longer times spent in custody for some offenders which may compound prison instability, self-harm, violence and overcrowding.
- Offenders and their families: Serving longer periods in custody may mean family breakdown is more likely, affecting prisoner mental health and subsequent reoffending risk.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A		£2.8m	£28.3m
High	N/A		£2.9m	£29.0m
Best Estimate	N/A		£2.9m	£28.7m

Description and scale of key monetised benefits by 'main affected groups'

- Prison Services: £1.4m for diversion of offenders due to Problem Solving courts.
- Probation Services: between £13.3m and £14.0m from reduced licence workload.
- All agencies associated with the Out of Court Disposal system: £13.7m from the simplification proposed.

Other key non-monetised benefits by 'main affected groups'

Not all non-monetised benefits could be listed here due to space. The key non-monetised benefits are:

- Increased confidence in the criminal justice system for the public, victims, and the judiciary.
- Greater public protection.
- The efficiency of the probation service should increase due to problem solving courts, the home detention order, and other robust uses of intensive community orders. This should in turn reduce prison service demand, though this cannot at present be quantified as further policy development is required.
- Offenders will benefit due to increased opportunity for rehabilitation through tackling drivers of offending and increased potential employability

Key assumptions/sensitivities/risks	Discount rate (%)	3.5%
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Not all the assumptions can be listed due to space (see Section H for a full list). The main assumptions include:

- The implementation date is Autumn 2021
- Future estimated volumes are based on MoJ published statistics and internal MoJ projections.
- Recruitment of additional police officers and the system's recovery from COVID could affect estimates.
- Assumes all sentencer behaviour remains the same, except where the measure proposed expects a change.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m: None			Score for Business Impact Target (qualifying provisions only) £m: N/A
Costs: N/A	Benefits: N/A	Net: N/A	



Ministry
of Justice

Overarching Impact Assessment

A Smarter Approach to Sentencing

September 2020

A. Summary

1. The Sentencing White Paper sets out the Government's proposals for changes to the sentencing and release framework in England and Wales. At its heart, the White Paper articulates the Government's commitment to have a criminal justice system (CJS) that keeps people safe, as well as one which the public understands and in which they can have confidence. The White Paper sets out a combination of proposals as well as broader areas for reform.
2. The measures in the White Paper will: ensure that serious and dangerous offenders are kept off the streets for longer, better protect the public, deliver punishments that really do fit the crime, work to tackle the many complex causes of offending, and provide the opportunity and support to reform for those offenders who truly want to turn their backs on crime.
3. This overarching Impact Assessment (IA) explains the policy rationale and objectives which underpin each specific measure and describes the key stakeholders who would be affected. It then provides an overview of the estimated effect of each of the proposals on society, including both the monetised and non-monetised impacts.

B. Background

4. In 2019, the criminal justice system formally dealt with 1.52 million people. In this period, the police issued 144,000 out of court disposals (OOCs) and courts proceeded against 1.37m individuals. Of the latter, the courts handed out 76,000 custodial sentences, around 87,300 community orders while the remaining offenders received a fine or other sentence¹.
5. Statistics from 2019 wave of the Crime Survey in England and Wales² suggested that around two thirds (68%) of the public are confident that the CJS is 'fair', with just over half of the public (53%) seeing the CJS as 'effective'. However, earlier research found 69% of adults reported feeling confident in the police's effectiveness in catching criminals but that confidence in the prisons' effectiveness in rehabilitating offenders was particularly poor at 22%³.
6. Sentences passed by judges and magistrates in our courts are criticised, often not for their overall length but by the shortness of the time actually spent in custody. In particular, the use of automatic early release has undermined confidence in the system. Too many serious and dangerous offenders are still released too early from custody – risking public safety and confidence.
7. At the same time, the justice system could better help offenders committing low level offences and serving their sentences in the community. In 2019, offences like theft accounted for the greatest proportion of prosecutions amongst indictable offences (27%). In 2018/19, around 80% of those who were convicted or cautioned had already received at least one previous conviction or caution. This suggests we have not done nearly enough to tackle the causes of much offending, particularly where it is driven by drug and alcohol misuse which are especially associated with low-level and, often, repeat offending.
8. Whilst we have had some routes available to help treat and manage these needs in the justice system, there have been too few options available to sentencers, and not enough confidence in the quality of these services. Intervention is needed to better tackle the causes of offending, such as drug, alcohol misuse and mental health issues.
9. Furthermore, many custodial sentences for low-level offenders are for a short period which often do not provide a sufficient opportunity for rehabilitation; in 2019, over half (53%) of offenders sentenced

¹ Criminal Justice statistics quarterly December 2019, Ministry of Justice

² Crimes in England and Wales, March 2018, ONS

³ Victim Support (2010) 'Victim's justice? What victims and witnesses really want from sentencing', <https://www.victimsupport.org.uk/sites/default/files/Victims%27%20justice%20-%20What%20victims%20and%20witnesses%20really%20want%20from%20sentencing.pdf>

to immediate custody were sentenced to 6 months or less⁴. Though a bit dated, a 2012 panel survey with victims of lower level crimes found that victims were open to community sentences for low-level offences but appeared to lack confidence in their effectiveness and enforcement⁵. Regarding short custodial sentences, victims expressed concerns that either these do not represent sufficient punishment or that they do not allow sufficient time for rehabilitation. Neither short sentences nor current community sentences are as effective as necessary, so we need to ensure we have a suitable option for low-level crime and repeat offenders.

10. Intervention is particularly needed to improve judicial and public confidence in community sentences. In research conducted for the Sentencing Council in 2019⁶, participants were asked to discuss the statement 'Community sentences are a soft option'. Participant views depended on the type of offence. Whilst most agreed that a community sentence could be an appropriate option for less serious offences, some felt they were always a soft option. Few participants knew that a community sentence could include work related to the offence or spoke about rehabilitation or restorative justice.
11. At the other end of the scale, the courts sentenced around 17,100 adult offenders for violent, sexual and robbery offences in 2019⁷. Of those who were sentenced to custody, the average custodial sentence length was 33 months, with around 3,300 sentenced to a standard determinate sentence (SDS)⁸ of 4 years or more.
12. It is only sensible that sentence lengths and options vary according to the level of harm, though nearly three-quarters of the public believe that sentences are generally too lenient⁹. Research into attitudes around criminal sentencing shows us that victims who had little understanding of sentences expressed feeling 'let down' after learning that the sentence given did not relate to the actual time the offender would spend in custody^{10,11}. Reasons for these critical views included a lack of understanding of the reasons for automatic release and a preference towards offenders serving their whole sentence in custody. However, victims provided with the right support and information found more satisfaction in the sentencing process. Therefore, the Government could do more to improve public understanding, and confidence in, criminal sentencing.
13. The White Paper contains several key themes:
 - **Protecting the public from serious offenders** – Public protection is the Government's number one priority. It is essential victims and the wider public have the confidence that the punishment fits the crime in every case. For serious sexual and violent offenders, they should spend a longer proportion of their sentence in prison. For those offenders who become more dangerous while in custody, automatic release poses too much of a risk, and therefore there must be a mechanism for such offenders to come before the Parole Board prior to release. We are proposing a series of legislative changes in this area, including abolishing the automatic halfway release for certain serious offenders and increasing the time those convicted of sexual

⁴ <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2019>

⁵ Victim Support (2010) 'Victim's justice? What victims and witnesses really want from sentencing', <https://www.victimsupport.org.uk/sites/default/files/Victims%27%20justice%20-%20What%20victims%20and%20witnesses%20really%20want%20from%20sentencing.pdf>

⁶ <https://www.sentencingcouncil.org.uk/wp-content/uploads/Public-Knowledge-of-and-Confidence-in-the-Criminal-Justice-System-and-Sentencing.pdf>

⁷ <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2019>

⁸ With few exceptions, half of a standard determinate sentence (SDS) is served in custody with automatic release from prison with the remaining half served in the community on license.

⁹ <https://www.sentencingcouncil.org.uk/wp-content/uploads/Public-Knowledge-of-and-Confidence-in-the-Criminal-Justice-System-and-Sentencing.pdf>

¹⁰ A 2016 YouGov poll asked, 'What do you think should be the main purpose of sending people who have committed a crime to prison?'. The results indicate that there is no clear consensus on what those surveyed feel is the main purpose of a prison sentence. 29% said the sentence should be to punish the criminal, with 28% indicating the purpose should be to rehabilitate, followed by acting as a deterrent (21%) and to ensuring violent criminals are off the street (19%).

¹¹ Deliberative polling is a method of providing some members of the public with more information on an issue and then measure attitudes before and after, noting any changes in opinion. This is often an experimental approach which involves a random assignment to issues and the quality and type of information about it provided, any differences in opinions or attitudes can therefore be attributed to the extra information.

offences serving a Sentence for Offenders of Particular Concern (SOPC) must spend in prison.

- **Managing offenders in the community** – Delivering public protection and confidence across the system is not just about better use of custody. In some cases – particularly for low-level offending – effective community supervision can keep the public safer. For example, MoJ analysis published in 2018 found that for those with identified mental health issues, mental health treatment requirements (MHTRs) attached to community orders or suspended sentence orders were associated with significant reductions in reoffending where they were used, compared with similar cases where they were not¹². Often, a well-structured community order can have a greater impact than a short term of custody. We can do this through early interventions to move offenders away from future offending, by ensuring we use the best technology available to monitor offenders and by providing support for those who want to turn their lives around. This includes legislative measures simplifying the out of court disposals regime and significantly increasing the usage and availability of rehabilitative treatments.
- **Empowering probation** – A successful programme on probation will see offenders into stable accommodation, employment and a sustained move away from relationships, associations or addictions that will lead to reoffending. As has already been announced by the Government, we are reforming how probation services are delivered across England & Wales to ensure that offenders are properly and effectively managed and supported through robust community sentences, and after release from Prison on licence supervision.
- **Reducing reoffending** – Reoffending rates in the UK have remained persistently high for over a decade, with annual proven adult reoffending rates within 12 months ranging between 28% and 30%¹³. Crucial to addressing reoffending is improving how individuals are supervised and supported following release from prison, and in the community. Our measures will strengthen our supervision of offenders who have the highest reoffending rates, using GPS tagging on acquisitive criminals during their licence period to better protect the public. We will also change the rehabilitation periods that govern the length of time before a conviction becomes “spent” in order increase the number of offenders who are able to find work after their sentence.
- **Youth Sentencing** –The approach to sentencing for under 18s is distinct from that for adults and focuses on the statutory aim of preventing offending by children and on the welfare of the child. The youth sentencing framework emphasises restoration and rehabilitation but provides that those committing the most serious offences go into custody. In addition to wider local and national work to improve youth justice outcomes, we are proposing legislative change in two key areas. Firstly, we are setting out proposals for stronger high-end community sentences and, secondly, reforms to the legal tests for custodial remand, to avoid unnecessary use of custody for children. We will also ensure that custodial sentences are appropriate for the small number of children for whom they are necessary by reforming the Detention and Training Order (DTO) and by reforming existing provisions for murder and serious violent and sexual offences.

14. This IA covers those measures articulated in the Sentencing White Paper with a firm commitment to implementation and wider roll-out that tackle the issues outlined above. Some measures have substantial impacts and, where this is the case, detailed IAs have been prepared. Further details on [abolishing automatic halfway release for certain serious adult offenders](#), [increasing the time adults convicted of sexual offences serving a SOPC must spend in prison](#), [reforming youth DTOs](#), and [simplifying OOCs](#) have therefore been set out in separate IAs.

15. Conversely, measures proposed in the White Paper which suggest policy ideas should be piloted, propose further exploration, update implementation guidance to existing practices, or make a recommendation without a clear commitment to implementation, are not included in this IA.

¹² <https://www.gov.uk/government/publications/do-offender-characteristics-affect-the-impact-of-short-custodial-sentences-and-court-orders-on-reoffending>

¹³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872390/bulletin_Jan_to_Mar_2018.pdf

16. The rest of this overarching IA explains the policy rationale and objectives which underpin each specific measure outlined above and describes the key stakeholders who would be affected. It then provides an overview of the impact of each of the proposals on society, including both on the monetised and non-monetised impacts.

C. Overall Policy Rationale and Objectives

17. The conventional economic approaches to Government intervention are based on efficiency or equity arguments. Governments may consider intervening if there are strong enough failures in the way markets operate (e.g. monopolies overcharging consumers) or there are strong enough failures in existing Government interventions (e.g. waste generated by misdirected rules) where the proposed new interventions avoid creating a further set of disproportionate costs and distortions. The Government may also intervene for equity (fairness) and distributional reasons (e.g. to reallocate goods and services to more needy groups in society).

18. The Sentencing White Paper proposes reform to the justice system that will provide greater public protection, increased public confidence and more robust interventions to prevent reoffending and support rehabilitation. With the exception of proposed reforms to the criminal records regime, the overarching motivation for the measures detailed in the White Paper is one of equity.

19. Too many serious and dangerous offenders are released too early from custody, which risks public safety. Emergency and secondary legislation, as well as a more comprehensive piece of counter-terrorism sentencing legislation, was introduced to address this issue for terrorist offenders earlier in 2020, but we have not fully addressed this issue for other types of serious and dangerous offenders. The White Paper proposals for serious sexual and violent offenders will ensure that they spend longer in prison and serve a sentence that reflects their crime and see that there is a mechanism for those who become more dangerous while in custody to come before the Parole Board prior to release. We need to ensure that we have a consistent approach to the release of serious and dangerous offenders across the system.

20. As outlined above, confidence in non-custodial sentencing options is low. We know that a well-structured community order can have a more significant impact than a short custodial sentence, offering better outcomes for offenders and the public^{14,15}. Improving provision of effective non-custodial sentencing options will expand public confidence, through capitalising fully on Electronic Monitoring technology, and enhancing community supervision delivered by a reformed National Probation Service.

21. We have not done nearly enough to tackle the causes of much offending, particularly where it is driven by drug and alcohol misuse. These are associated with offending, particularly low-level repeat offending. Whilst we have some routes available to help treat and manage these needs in the justice system, there have been too few options available to sentencers and not enough confidence in the quality of these services. Lack of employment is a major barrier to rehabilitation after release from custody and the reform to the criminal records regime will provide greater employment opportunities for ex-offenders.

22. The youth justice proposals outlined in the White Paper will give the courts the tools they need to ensure that children can be diverted from custody into stronger high-end community sentences to effectively manage behaviour in the community. In the most serious cases, where custody is necessary for public protection, the proposals will ensure that custodial sentences work fairly and properly reflect the culpability of a child and the seriousness of their offending.

¹⁴ See, e.g., https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/706597/do-offender-characteristics-affect-the-impact-of-short-custodial-sentences.pdf

¹⁵ See, e.g., https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/814177/impact-short-custodial-sentences.pdf

D. Affected Stakeholder Groups, Organisations and Sectors

23. A list of the main groups and stakeholders who would be affected by the measures described in this IA is shown below:

- HM Prison and Probation Service, which includes both the Prison Service (HMPPS-Prison Service, or just 'prison services') and the National Probation Service (NPS, or just 'probation services')
- Youth Custody Service (YCS)
- Youth Offending Teams (YOTs)
- HM Courts and Tribunal Service (HMCTS)
- Legal Aid Agency (LAA)
- Parole Board
- Police Service
- Crown Prosecution Service (CPS)
- Electronic Monitoring Service (EMS)
- Judiciary
- Sentencing Council
- National Health Service (NHS), including both NHS-England and NHS-Wales
- Ministry of Justice (MoJ)
- HM Revenue and Customs (HMRC)
- Disclosure Barring Service (DBS)
- Offenders and their families
- Victims
- Local Authorities and local service providers
- The public

E. Description of Proposed Measures

24. To meet the Government's policy objectives, this IA assesses the following options:

- **Option 0: Do nothing: Make no changes to the current sentencing framework**
- **Option 1: Implement the White Paper provisions for the release of serious and dangerous offenders, for improving the custodial sentencing framework for children, for strengthening community sentences, for reform of the criminal records disclosure regime and for the simplification of the out of court disposal system as detailed in this impact assessment.**

25. Option 1 is the preferred option as it best meets the Government's policy objectives.

Option 0

26. Under this option, no changes would be made to the current sentencing framework. As a result, the various problems identified above would remain.

Option 1

27. Option 1 consists of the following measures:

- a. **Abolish automatic halfway release for serious offenders**: This measure will move the automatic release point from halfway to two-thirds for offenders sentenced to an SDS of between 4 and 7 years for a sexual or specified violent offence for which the maximum penalty is life. This change will help to rationalise the approach to sentencing for offenders of this nature, applying a consistent release policy. This more robust approach will see serious offenders spend longer in prison, with the remaining third of their sentence spent on licence and subject to recall to prison.
- b. **Prevent automatic halfway release for dangerous offenders who become of significant public protection concern**: This measure will establish a new power for the Secretary of State to prevent automatic halfway release of offenders who receive an SDS but go on to pose of a significant future risk to the public.
- c. **Child murders to get a Whole Life Order (WLO)**: This measure will expand the criteria for WLOs so that it will be the sentencing starting point for adults aged 21+ who commit the premeditated murder of a child aged under 18.
- d. **Change the way discretionary life sentence tariffs are calculated**: This measure will require the courts to base their calculation of a life tariff on what two-thirds of a notional determinate sentence would be (instead of half as the provisions currently require).
- e. **Changes to the minimum term starting points for murder committed as a child**: This measure will amend the tariff starting points for murder committed under the age of 18. Currently, the starting point for Detention at Her Majesty's Pleasure (DHMP) sentences is a fixed 12 years in all cases. Under this measure the starting point will be 8, 13 or 15 years for 10-14 year olds and 10, 17, or 20 years for 15-17 year olds, depending on the seriousness of the offence.
- f. **Increase the time those convicted of sexual offences serving a SOPC must spend in prison**: This measure will align release provisions for all offenders eligible for a SOPC meaning all those in receipt of this sentence will remain in prison until they have served at least two-thirds of their sentence.
- g. **Reform youth DTOs**: This measure will reform the DTO system for youth to allow courts to pass any length of sentence between 4 and 24 months.
- h. **Simplify OOCs**: This measure will reduce the number of OOCs from six to two and enable police to attach conditions or actions to all OOCs, meaning there will be stricter repercussions for offending behaviour rather than simple warnings. Where appropriate, police will be able to refer people to intervention pathways, such as substance misuse services, to help address the underlying causes of the offending behaviour before it escalates to more serious offending.
- i. **Establish Problem Solving Courts (PSCs)**: This measure will establish PSCs, incorporating a core set of internationally recognised problem-solving components through a centrally coordinated approach including: (i) regular court reviews of community order progress by a single judge (or magistrates bench); (ii) regular and random drugs and alcohol testing where relevant to the offending; (iii) graduated use of incentives and sanctions, including the use of short-term custody for non-compliance; (iv) dedicated probation resource to supervise the cohort, and (v) links to core support services including health, employment and accommodation.
- j. **Exceptions in Minimum Sentences for Repeat Offenders**: This measure will amend the criteria for passing a sentence below the minimum term for repeat offences, including "third strike" burglary, "second strike" knife possession and "third strike" Class A drug trafficking, with the aim of reducing the prospect that the court would depart from the minimum custodial sentence.
- k. **Abolish Senior Attendance Centres (SACs)**: An Attendance Centre Requirement is a little-used type of community requirement that can be imposed on young adults aged 18-24 as part of a Community Order or Suspended Sentence Order. It involves the offender attending a designated probation service building, known as a Senior Attendance Centre (SAC), to engage in rehabilitative activities for a period of time set by the court. Use of the Attendance Centre Requirement has been declining since the introduction in 2014 of the Rehabilitation Activity Requirement (RAR). Additionally, SAC's are not available as a sentencing option in all regions due to their distribution throughout the country. This measure will remove SACs from the list of available community sentence requirements. This will strengthen the effectiveness of community

sentences by promoting consistent sentencing, and ensuring resources are focused on evidence-based interventions to improve rehabilitative outcomes.

- i. **Strengthen probation officer powers**: This measure will give probation officers greater flexibility to supervise offenders at any point within a Community Order or Suspended Sentence Order and will support more robust community sentences with greater potential to address the underlying needs of offenders and reduce the risk of reoffending.
- m. **Create Home Detention Orders (HDO)**: These orders will constitute a robust community package fully utilising electronic monitoring technology to facilitate a lengthy and restrictive curfew. Other requirements may be added by sentencers including treatment orders, alcohol monitoring, or possibly internet restrictions. The HDO would not be used with offenders who would have otherwise received a custodial sentence.
- n. **Electronic Monitoring**: This measure will increase the maximum period of EM curfew from 12 months to two years, and allow it to be used more flexibly
- o. **Pilot stronger high-end youth community sentences**: This measure will double the maximum possible length of the extended activity requirement element of the Intensive Supervision and Surveillance (ISS) from 6 months to 12 months and add a location monitoring requirement as a mandatory element of the ISS requirement. We believe that such an approach will ensure that ISS is better able to act as an effective alternative to custody, giving courts the confidence that children can be effectively managed in the community.
- p. **Location monitoring requirements on Youth Rehabilitation Orders (YROs)**: This measure will add the option of a standalone location monitoring requirement to the YRO to reduce the likelihood of breach; provide information to support services and to provide an additional protective factor.
- q. **Reform criminal records disclosure rules**: This measure will reduce the rehabilitation periods that govern the length of time before a conviction becomes “spent” in order to support access to employment and reduce reoffending.

F. Cost and Benefit Summary

28. This overarching IA summarises the main monetised and non-monetised impacts of the above legislative measures on individuals and groups in the UK. The costs and benefits of each legislative measure are compared to the “do nothing” option. IAs place a strong emphasis on valuing costs and benefits in monetary terms. However, there are often important aspects of a policy that cannot readily be monetised – e.g. the effects on particular groups in society or changes in equity and fairness.
29. These impacts have been assessed using HM Treasury guidance. To make our estimates for each measure comparable, we have adopted the following conventions:
 - Monetised costs and benefits are stated in 2020/21 prices;
 - The Net Present Value (NPV) of each measure has been calculated for a ten-year period from the expected implementation date using a 3.5 per cent discount rate; the implementation date assumed for reforms is autumn 2021;
 - Population volumes greater than 100 have been rounded to the nearest 50, volumes less than 100 have been rounded to the nearest 5.
 - Where appropriate, 20% optimism bias has been applied;
 - Unless otherwise stated, the annualised costs or savings are those which would be achieved in ‘steady state’ (i.e. when the measure is fully in operation).
30. For some policies, impacts have been assessed qualitatively, either because the impacts are likely felt beyond the 10-year period considered by this IA or the fine policy detail required for impact analysis remains the topic of consultation within the white paper. No monetised impacts are stated in this IA for the following:

- **Measure (e) - the minimum term starting points for murder committed as a child.** It is difficult to forecast the future volumes of low volume, serious offences, and to predict how these changes will impact the length of minimum tariffs (which do not directly relate to time spent in custody). However, for illustrative purposes, if DHMP sentences occurred at a similar rate to that observed since 2011 (25 sentences per year), and this policy led to an average increase in time spent in custody of 2 years, then there would be a steady state impact of an increase in prison population of 50 places. There would be minimal impacts within the first 10 years of the policy as the vast majority of tariffs are over 10 years, all impacts would be felt in the adult prison estate.
- **Measure (j) - minimum sentences for repeat offenders.** There is considerable uncertainty around the impact of the policy in the direction and magnitude, as any deterrent impact on offender behaviour and change in sentencing behaviour cannot be reliably predicted.
- **Measure (m) – the Home Detention Order.** There is significant uncertainty around the scale of impacts because further policy formulation is needed to understand the cohort affected by this measure and the potential overall content of the order is still to be confirmed. Relevant policy and analytical factors still to be determined are how sentencers' decision making should change, how many offenders breach their sentence, and whether and to what extent those breaching are returned to custody.

31. Where possible, low, best (or central) and high estimates have been provided to better understand the types of uncertainties present in the measures. Low scenarios represent variation in modelling assumptions which result in the least overall net present value for the specific profiled policy, while high scenarios represent assumption variations yielding the highest net present value. In policies with less variation in the impacts of assumptions, only a best (or central) estimate is provided.

Option 1: Implement the White Paper provisions for the release of serious and dangerous offenders, for improving the custodial sentencing framework for children, for strengthening community sentences, for reform of the criminal records disclosure regime and for the simplification of the out of court disposal system as detailed in this impact assessment.

Costs of Option 1

Monetised Net Present Costs

HMPPS-Prison Service

32. It is estimated that this option will result in a total increase in the adult prison population of around 600 offenders in steady state by 2028/29 although this impact will begin to be felt from 2021/22 with around 10 additional prisoners. Changes to automatic release for youth means an addition of roughly 30 adult prisoners who would likely have been sentenced as children.
33. The total costs to prisons for all the measures are estimated to range from a low of £128.2m to a high of £140.7m. Most of these costs are due to changes to automatic release for both adults and children. The net costs to the prison services due to the additional running costs associated with housing these prisoners under the changes to automatic release, both those sentenced as adults and those sentenced as youth, range from a low of £104.7m to a high of £115.2m with a best estimate of £110.0m. These costs may vary depending on the type of accommodation constructed and market conditions.
34. To accommodate the additional prison demand under the measures outlined in the White Paper, additional prison places will need to be constructed by 2029/30. It is assumed that the construction cost per each additional new place is £250,000. The total transition cost for the construction of additional prison capacity under all measures is therefore estimated to be between £144.5m and £158.5m.

EMS

35. The combined EM costs will vary depending on the combination of policies taken forward in the future, offender characteristics and sentencing decisions. An estimated additional 850 to 1,650 offenders (1,450 in our central estimates) will be monitored and supervised using electronic tagging at any point in time under the measures proposed in the White Paper. This is estimated to cost an additional £1.3m to £2.4m, with £2.3m as a central estimate. The additional caseload is the result of increases in curfew length for adults and the increased use of electronic monitoring technology for youth offenders.

NPS

36. Option 1 is estimated to lead to additional costs to the probation service of between £41.2m and £50.2m. The majority of these costs are driven by those measures which strengthen probation officer powers and the supervision of offenders on receiving longer curfews, though minimal costs also arise from removal of SACs and piloting problem solving courts. The increased probation powers will lead to greater flexibility and authority, namely so that they can provide additional supervision in the community and on suspended sentence orders, that they cannot currently provide.

HMCTS and LAA

37. There will be costs estimated at about £1.7m for piloting problem solving courts related to judicial training, court coordinators/assessors, and court time for review of orders and breach hearings. This includes around £0.05m for legal aid costs.

YCS

38. An increase in the youth custody population of less than 50 offenders in steady state by 2024/25 resulting from reform of the DTO will accrue net costs to the YCS of between approximately £38.6m to £61.4m.

YOTs

39. There is estimated to be an increase of between 250 and 500 children on ISS in the community, in steady state by 2024/25, and an additional 30 to 50 children under YOT supervision post release from DTO, at a cost of between £24.3m and £47.3m, with £47.3m as the central estimate.

OOCD system, including the Police Service, CPS and HMCTS

40. Total costs to the OOCD system of £128.7m. Of these costs, £90.8m is attributed to the police service, £8.8m to the CPS and the remainder to HMCTS. For further detail, please see the separate IA on reforms to the OOCD system.

DBS

41. Reform to the criminal records disclosing system will require about £0.1m to update the DBS IT systems which generate certificates.

MoJ

42. Costs of around £1.5m will accrue to the MoJ, largely for pilot evaluation, monitoring and management of rollout of the measures. These costs should be treated as a low estimate as they only cover pilots already scoped for implementation – namely, strengthening youth community orders and problem-solving courts – while excluding all other suggestions for pilots in the White Paper.

43. The estimated cost of piloting and evaluating electronic monitoring acquisitive crime offenders on licence and the piloting of improved pre-sentence reports, as suggested in the White Paper, have not

been quantified because the specification and methodology for these projects are still being formulated.

Non-Monetised Costs

HMPPS-Prison Service

44. The longer time spent in custody resulting from abolishing automatic halfway release, SOPC reforms, and reforms to discretionary life sentencing could lead to prison instability as offenders serving the same sentence arriving at different times will face different release points. There is also a risk of having offenders spend longer in prison and a larger population may compound overcrowding (if there is not enough prison capacity) while reducing access to rehabilitative resources and increasing instability, self-harm and violence.
45. All prisoners may be affected by the new power proposed for the Secretary of State to alter release procedures for any individual offender who has become more dangerous while in custody. There may be an increased risk that other prisoners could become radicalised or more dangerous due to the greater time in custody for the affected individual affording more time for further proselytising in the prison population.

NPS

46. The increase in power of supervision for offender managers will lead to a corresponding increase in time spent supervising offenders. Were this to apply to all offenders, a substantial increase in probation staff would be needed. However, the powers are intended to be used only in exceptional circumstances. To ensure the powers are not overused, robust operational guidance will need to be communicated to staff.

YCS

47. Reforms to the sentences given to children who commit murder are expected to affect judicial behaviour which could have knock-on effects on volumes of children in custody. Judicial discretion to increase or decrease the tariff from the starting point will be retained under this measure, meaning an increase in the starting point will not necessarily translate into the same size increase in the minimum tariff set. Therefore, whilst some individuals may receive longer minimum tariffs and spend longer in custody (and others may receive shorter minimum tariffs), we do not anticipate a substantial overall impact from this change.

YOTs

48. Some children will spend longer on the community element of their DTO due to changes to how time on remand is considered. The size of impact will be driven by the number of children on remand or qualifying bail and the length of time spent on remand or bail. Not all children will spend longer on the community element under this option, only those who previously would have seen their DTO sentence length reduced because of accounting for time spent on remand. It has not been possible to quantify these costs. We do not have data on the numbers of children and the length of reduction resulting from time spent on remand or qualifying bail to quantify these costs.

EMS

49. A longer duration on electronic monitoring resulting from the measures concerning the use of electronic monitoring could increase the level of breaches and the consequential cost the CJS. While, management information indicates there is a negligible increase in electronic monitoring violations on curfews of between 12 months and 18 months, it is unclear how an increase in the maximum curfew period to two years will lead to greater incidence of breach.
50. It is assumed that the addition of location monitoring to the YRO will be used predominantly with children who would have received another requirement involving electronic monitoring (i.e. curfews

or exclusion zones). However, if a significant number of children receive location monitoring who would not have received any form of electronic monitoring then this could incur additional running costs beyond those estimated. EMS will also incur additional equipment costs if the whole youth ISS caseload receives GPS instead of radio frequency tags pursuant to the pilot of high-end youth community sentences.

HMCTS

51. Following simplification of the OOC system, it is unclear whether the cost of enforcing any court fines that are imposed because of conditional caution non-compliance under the revised model will differ from the current system and lead to additional costs.

Judiciary

52. Most of the legislative measures in White Paper will be given effect by the judiciary. There will be an, at present, unquantifiable cost associated with propagating guidance, training and promoting uptake of new sentencing rules. This might be most apparent for those measures designed as direct alternatives to custody including the home detention order and the greater use of ISS in YROs.

Sentencing Council

53. Any measures which lead to changes in legislation (for example, abolishing halfway automatic release for serious offenders or the new home detention order) and related guidance will trigger analytical work and guideline creation for the Sentencing Council. The full extent of such activity is, as yet, unquantifiable.

NHS-England/NHS-Wales

54. Health care in prisons is the responsibility of the NHS (NHS-England and NHS-Wales, in England and Wales respectively). Longer time in custody resulting from the proposed reforms to whole life orders, discretionary life sentences, abolishing halfway release for certain offenders, and SPC reforms may increase the care requirements, and hence costs, for aging prisoners. While social care is legally the responsibility of the local authority in which the prison is based, in practice this is often contracted to the NHS.

Offenders and their families

55. Longer time in custody resulting from abolishing halfway release, SPC reforms and reforms to discretionary life sentencing may strain familial and community links, could limit offender motivation for reengagement in rehabilitation, and ultimately increase the likelihood of reoffending. A shorter license period may inhibit re-integration into society.

56. Furthermore, a longer period spent being electronically monitored may add significant strain into household relationship due the increased time spent at home, reduced opportunities to further pro-social relationships (e.g. taking children to school) and other activities that promote well-being (e.g. team sports).

Benefits of Option 1

Monetised Net Present Benefits

HMPPS-Prison Service

57. Problem solving courts are estimated to confer a net benefit on the prison service of £1.4m by diverting offenders away from custody through regular court reviews of community sentence progress, regular and random drugs and alcohol testing where relevant, a graduated use of incentives and sanctions, dedicated probation resource to supervise the cohort, and greater linkage to core support services including health, employment and accommodation.

NPS

58. All the measures in the White Paper which result in keeping offenders in custody for longer reduces the overall amount of supervision required because less time is spent on licence implying a somewhat lower annual caseload. At the same time, there will be a small benefit to the probation service through abolishing SACs estimated at around £5.4m. The net present benefit to the probation services of all these measures is estimated to be between £13.3m and £14.0m, with £13.6m as the central estimate.

OOCD system, including the Police Service, CPS and HMCTS

59. The benefits from fewer HMCTS prosecutions for non-payment plus additional revenue from reparation and fines is estimated to lead to a net benefit of around £13.7m from a simplified OOCD system. All the savings from the changes to the OOCD system will be felt by the HMCTS. For further detail, please see the separate IA on reforms to the OOCD system.

Non-Monetised Benefits

HMPPS-Prison Service

60. The establishment of problem solving courts, the home detention order, and the greater use of ISS in YROs should lead to a reduction in the use of custody, although the savings are currently unquantifiable due to uncertainty around the full details of how these measures would be implemented.

NPS

61. The increase in probation officers' power will give greater clarity for probation officers in their ability to set meetings with offenders, and for offenders in what they are required to attend.

YCS

62. The creation of stronger high-end community sentences should reduce the volume of children receiving a custodial sentence, though at present it is not possible to estimate the judicial use of such high-end sentences rather than custody.

63. The addition of location monitoring to the YRO may contribute to making community sentences more attractive to sentencers and lead to some children who would have received custodial sentences receiving community sentences.

Judiciary

64. Judicial confidence in the sentencing programme should improve through many of the measures proposed in the White Paper. For example, the judiciary may welcome greater oversight and ability to intervene in rehabilitative programmes under the proposed problem-solving courts, which we will aim to learn through piloting. Improved judicial confidence in sentencing delivery is the aim of reforms to increase the use of electronic monitoring, namely through the home detention order and the use of ISS in the YRO.

Parole Board

65. The SOPC reforms should reduce the volume of Parole Board hearings. Given the small number of offenders affected by this measure, this benefit is likely to be highly negligible given the overall volume of Parole Board hearings taking place each year. For this reason, the details of this benefit have not been estimated.

Multi-Agency Public Protection Arrangement related agencies including NPS, HMPPS-Prison Service and the Police Service

66. Longer time in custody resulting from abolishing halfway release, SOPC reforms, and reforms to discretionary life sentencing may lead to fewer costs for any Multi-Agency Public Protection Arrangements which might have been needed.

Police Forces

67. Reforms to the OOC system should improve the efficiency of police procedures, though the full extent of this cannot be estimated.

Local Authorities and Local service providers

68. Longer time in custody resulting from abolishing halfway release, SOPC reforms, and reforms to discretionary life sentencing may lead to shorter duration of community services provided by local authorities and local providers to offenders while on license.

HMRC

69. Resulting from reforms to the criminal records regime, some offenders will have improved employment opportunities leading to increased employment and earned income thereby increasing additional tax revenue. The number who would benefit from rule changes cannot be estimated, however.

Offenders

70. It is expected that simplification of the OOC system and the creation of problem-solving courts with their focus on rehabilitative interventions would reduce reoffending though to what extent is yet uncertain because offender behaviour cannot wholly be predicted. Additionally, effective problem-solving courts would further improve offender behaviour including, where relevant, by reduced drug use, and improved physical and mental health.

71. Electronically monitored offenders may be deterred from offending for the period of monitoring.

Victims & Public

72. Longer time in custody resulting from abolishing halfway release, SOPC reforms, and reforms to discretionary life sentencing may benefit victims and wider public in that they are protected for longer through the incapacitating effect.

73. The curfew periods associated with electronic monitoring may help offenders to break ties with criminal associates and aid rehabilitation. This should contribute to public protection in the immediate term. Moreover, there is some evidence that electronic monitoring has a short-term deterrent effect on the likelihood of committing crime whilst the offender is tagged suggesting improved public protection.

74. Additionally, the complete package of reforms should improve victim and public confidence in the CJS, particularly the reforms to both adult and youth community sentences and the greater use of electronic monitoring.

75. Reforms to the OOC system should improve victims' experiences and satisfaction with the CJS.

Unquantified and Non-monetised Impacts

76. In addition to the impacts of the individual measures described above, the White Paper measures, taken as a whole, could affect levels of overall crime through deterrence, incapacitation and

rehabilitation. There is, however, limited evidence that the combined set of measures will deter offenders long term or reduce overall crime. Therefore, the combined effect of the all measures proposed cannot be described as a cost or benefit due to limited evidence to indicate the direction or magnitude of change.

77. It is also not possible to quantify third party community bodies that may be affected by the measures proposed. Nevertheless, there will be no burdens placed on them as all the activities generated by these measures will be funded by the MoJ and these organisations are either controlled by or acting on behalf of the department in carrying out the activities.

Summary of impacts

78. Table 1 below summarises the main components of net impact of the measures contained in Option 1, the preferred option.

Table 1 Summary of estimated net present costs and benefits (real prices, 2020/21)

		Transition	Costs	Benefits	NPV
a) Abolishing automatic halfway release for serious offenders	<i>Monetised</i>	<p>Fewer than 450 additional adult prison places will need to be constructed by 2029/30 at a cost of between £102.4m and £113.2m</p> <p>Further total construction costs for an additional 30 adult places by 2030/31 over the 10-year period of £7.1m due to of changes to youth automatic release.</p> <p>The combined effect would be more than 450 additional prison places for a total cost of between £109.5m and £120.3m.</p>	<p>An increase in the adult prison population by fewer than 450 in steady state (reached in 2028/29) at a total running cost of between £100.4m and £111.0m in the low and high scenarios, with a central estimate of around £105.7m.</p> <p>An increase in adult prison population of around 30 places in 2030/31 due to changes to youth automatic release, with total running costs of around £4.2m in the next 10 years.</p> <p>The combined effect would be more than 450 additional prisoners at a total cost of between £104.7m and £115.2m.</p>	<p>A reduction of fewer than 450 adult offenders under licence supervision in 2029/30 resulting in a total saving to the probation service of between £6.0m and £6.7m over the next 10 years</p> <p>A decrease in the population under licence in the community of around 30 adults in 2030/31 due to changes to youth automatic release, resulting in a total saving of around £0.3m over the next 10 years. .</p> <p>The combined effect would be more than 450 fewer offenders on license for a total benefit of between £6.3m and £6.9m.</p>	<p><u>Adults</u> High: -£217.6m Low: -£196.9m Best: -£207.2m</p> <p><u>Youth</u> Best: -£11.1m</p> <p><u>Total</u> High: -£228.6m Low: -£207.9m Best: -£217.6m</p>
	<i>Non-Monetised</i>	N/A	<p>Greater demand on prisons and services provided there.</p> <p>Social relations between prisoners and their families could be impaired.</p> <p>Greater demand on the NHS (England/Wales) for prisoner care.</p>	<p>Improved victim and public confidence and protection.</p> <p>Less demand on local authorities and local services.</p> <p>Less need for Multi-Agency Public Protection Arrangements, affecting the probation service, the prison service and the police.</p>	
b) Preventing automatic halfway	<i>Monetised</i>	Additional prison capacity to house those staying in	An additional 20 prison places required by 2023/24 though	20 fewer offenders in probation caseloads by	Best: -£9.3m

release for dangerous offenders who become of significant public protection concern		custody for longer prior to 2023/24 at a cost of £4.6m	this is estimated to reduce to a steady state of 10 by 2026/27 at a total running cost of £5.2m	2023/24 reducing to a steady state of 10 fewer by 2026/27 at an overall net saving of £0.5m	
	<i>Non-Monetised</i>	N/A	Greater demand on prisons and services provided there. Social relations between prisoners and their families could be impaired. Greater demand on the NHS for prisoner care.	Improved victim and public confidence and protection Less demand on local authorities and services. Less need for Multi-Agency Public Protection Arrangements affecting the probation service, the prison service and the police.	
c) Child murders to get WLOs	<i>Non-Monetised</i>	Additional prison capacity will be required though not until well after the 10-year period covered by this IA.	Additional prison running costs will be required as the tariff served for child murder will necessarily increase, although not within 10-year period covered by this IA.	Improved public confidence and public protection.	N/A
d) Change the way discretionary life sentence tariffs are calculated	<i>Monetised</i>	Between 45 and 50 prison places to be added to the prison estate by 2028/29 at a construction cost of between £9.8m and £10.8m over the IA period.	An additional 45 to 50 prisoners remain in prison per year by 2028/29 at a total running cost of £5.9m to £6.5m.	Between 45 and 50 fewer offenders supervised by probation services per year for a total benefit of £0.4m	High: -£17.0m Low: -£15.3m Best: -£16.2m
	<i>Non-Monetised</i>	N/A	Increased time in prison and use of the services provided there. Negative impact on prisoners and their families and the potential for further reoffending as a consequence. Increased care of elderly prisoners affecting NHS (England/Wales).	Greater victim confidence and improved public protection. Local authorities provide fewer / less services to those remaining in custody for longer. Less need for Multi-Agency Public Protection Arrangements affecting the probation service, the prison service and the police.	
e) Changes to the minimum term starting points for murder committed as a child	<i>Non-Monetised</i>	N/A	A potentially minimal increase in the use of custody for a longer period of time, impacting both the YCS and the Prison Service	None	N/A
f) Increase the time those convicted of sexual offences serving a	<i>Monetised</i>	Around 100 additional prison places are needed by 2029/30 with capacity construction costs of between £20.6m and	Around 50 additional prison places will be needed by 2027/28 followed by around a further 100 additional places by 2029/30,	50 fewer offenders on licence in 2027/28 and around 100 fewer by 2029/30 resulting in a total saving to the	High: -£35.7m Low: -£32.3m Best: -£34.0m

SOPC must spend in prison		£22.8m over the forecast period.	with 100 additional SOPC offenders in custody under the central scenario. Total running costs will range between £12.4m and £13.7m.	probation service of £0.7m to £0.8m over the next 10 years	
	<i>Non-Monetised</i>	N/A	Greater length of time in custody with an increased usage of the services needed there. Prisoners' relationships with their families could deteriorate, reducing the protective effect of strong family relations on reoffending. Continued care of elderly prisoners impacting NHS (England/Wales)	An immediate reduction in Parole Board caseload, though this may rebound in future years. Improved victim confidence and improved public protection. Local authorities provide services for less time to offenders on license. Less need for Multi-Agency Public Protection Arrangements affecting the probation service, the prison service and the police.	N/A
g) Reform youth DTOs	<i>Monetised</i>		Total costs to the YCS of between £38.6m and £61.4m over the next 10 years. Total costs to YOTs of between £2.6m and £4.1m over the next 10 years.	None	High: -£65.5m Low: -£41.2m
	<i>Non-Monetised</i>		Additional YOT cost for supervision of those serving longer in the community as a result of the change to the remand calculation.	None	
h) Simplify OOCs	<i>Monetised</i>	N/A	Increase in police operational costs, CPS prosecution costs for breach of conditions, additional treatment costs associated with conditions placed on cautions and a loss of both Penalty Notices for Disorder and victim surcharge revenue for a total cost to of £129.8m	Estimated benefit of £13.7m should accrue due to lower costs to HMCTS for proceedings for Penalty Notice for Disorder non-payment, plus revenues from both reparations and penalties on conditional cautions.	Best: -£116.1m
	<i>Non-Monetised</i>	N/A	HMCTS may incur costs in enforcing non-compliance.	Simplified regime clearer for police service application Offenders benefit from focus on rehabilitation.	N/A

				Victims confidence that punishment suits the crime.	
i) Establish Problem Solving Courts	<i>Monetised</i>	N/A	Costs to HMPPS for offender supervision, drug and alcohol testing; programme management, and short spells in custody; HMCTS cost for review and breach hearings (including Legal Aid); monitoring and evaluation: £6.2m	Estimated benefit of £1.4m from diverting new offenders away from custody and the community (Community Orders and Suspended Sentence Orders).	Best: -£4.8m
	<i>Non-Monetised</i>	N/A	None	Improved judicial confidence in sentencing system Increased offender compliance and reduced reoffending Reduced use of custody	
j) Exceptions in Minimum Sentences for Repeat Offenders	<i>Non-Monetised</i>	N/A	N/A	N/A	N/A
k) Abolish SACs	<i>Monetised</i>	None	Alternative sentences to SAC's will be given, at a cost of £4.6m.	The cost of running SAC's is removed, for a saving of £5.4m.	Best: -£0.8m
	<i>Non-Monetised</i>	None	None	None	
l) Strengthen probation officer powers	<i>Monetised</i>	None	Increase in the duration and intensity of supervision at a cost of £18.8m and an increase in the likelihood of breaches at a cost of £14.6m	None	Best: -£33.4m
	<i>Non-Monetised</i>	None	Could lead to an increased workload for probation officers	Improved offender management, with potential for reduced reoffending.	
m) Create home detention orders	<i>Non-Monetised</i>	N/A	There may be an increased use of custody depending on how breach of curfew or other requirements is handled under this sentence	Improved public confidence, with potential for reduced reoffending.	N/A
n) Electronic monitoring	<i>Monetised</i>	N/A	Additional monitoring equipment will be required at a cost of between £0.3m to £0.9m depending on the amount of increased EM use taking place under the policy. There will be additional supervision, should a monthly increase in EM use over baseline be implemented, at a cost of £9.0m	None	High: -£9.9m Low: -£0.3m Best: -£0.8m

	<i>Non-Monetised</i>	N/A	A longer duration on electronic monitoring could increase the amount of breach, though it is not possible to estimate how much.	Offenders may be deterred from offending and/or break contacts with criminal associated. Victims protected and improved confidence. Improved public protection	
o) Pilot stronger high-end youth community sentences	<i>Monetised</i>	N/A	Increase in caseload under intensive supervision as a result of increased duration of ISS, estimated at between £0.8m and £1.6m (low / high) during pilot (2023/24) and £3.2m and 6.4m (low / high) during national rollout (in 2024/25), these figures include EM specific costs of <£0.05m during the pilot and between £0.05m and £0.1m during national rollout in 2024/25.	None	Based on assumption of piloting in 25% of areas from Autumn 2021/22, with national rollout from 2024/25. Low: -£22.4m High: -£44.3m
	<i>Non-Monetised</i>	N/A	EMS will incur additional equipment costs if the whole ISS caseload receives GPS instead of radio frequency tags. Any likely increase is included in the monetised costs associated with measure (p) below and therefore not monetised here. Any additional costs resulting from changes in the level of breaches have not been quantified.	Less use of custody impacting the YCS.	
p) Location monitoring requirements on YROs	<i>Monetised</i>	N/A	Steady state EMS costs of £0.6m for additional cost of GPS equipment.	None	Best: -£0.6m
	<i>Non-Monetised</i>	N/A	It is assumed that this requirement will be used with children who would have received another requirement involving EM (i.e. curfews or exclusion zones). If a significant number of children receive location monitoring who would not have received any form of EM then this could incur additional	Less use of custody impacting the YCS Used appropriately, we believe that this technology will also help to reduce the likelihood of a child breaching the requirements of their order.	

			running costs beyond those estimated.		
q) Reform criminal records disclosure rules	<i>Monetised</i>	£0.1m costs to update IT systems which generate DBS certificates.	None	None	Best: £0.1m
	<i>Non-Monetised</i>	N/A	N/A	Offenders will experience improved employment opportunities Increased tax revenue to HMRC	
Net Impact	<i>Monetised</i>	Transition costs range from a low of £144.5m to a high of £158.5m	Costs range from a low of £366.6m to a high of £435.0m	Benefits range from a low of £28.3m to a high of £29.0m	High: -£564.5m Low: -£482.8m Best: -£542.6m

G. Direct costs and benefits to business calculations

79. It is assumed that there will be no direct costs or benefits to business for measures (a) through (q).

H. Risks and Assumptions

80. The impacts estimated in this IA are based on certain assumptions. These assumptions, and the associated risks, are described in Table 2 below.

Table 2 Risks and Assumptions

	Assumption	Risks / uncertainties
Overarching	Implementation date of the measures is October 2021.	This is dependent on the Bill progressing through Parliament to the anticipated timetable without significant delays.
	Future prison, probation and community volumes are based on a mix of published data and internal projections.	It is difficult to predict future changes in the types of offences being committed and how this will impact the decisions made by sentencers. If there are significant changes in sentencer behaviour or offences being committed this will affect the estimates in this IA.
	Annual running costs for a prison places are taken from the most recent prices published by HMPPS for 2018/19 inflated to represent the current price in 2020/21. The category of prison used varies by policy depending on the specific characteristics of offenders affected by that policy.	Prison unit costs cover the day to day running costs of a prison only, and do not incorporate any capital costs associated with construction, investment and costs associated with any developing or contracted out services or rehabilitative activities these prisoners might undertake while in custody.
	Additional prison places will need to be constructed in order to meet any increased demand, the construction cost for each place is £250,000. It is assumed that the construction of each place will take place in the two years before it is needed and the costs will fall over this same period.	This cost is an average based on the total amount of money allocated to the construction of 10,000 additional prison places over the next 10 years. The exact construction profile will vary depending on when additional prison capacity is needed. This depends on a range of factors, primarily natural changes in the prison population and future policy changes that increase or decrease the prison population.

		Because of this, it is not possible to allocate precise prison places and costs for each additional place at this point.
	<p>The recruitment of additional police officers will impact the future prison population. It is assumed that there will be an increase in the absolute number of offenders sentenced than if the additional officers were not recruited. It is not certain how the profile of offenders entering the prison service will change and there are three scenarios which predict the effect on the mix of offence types and sentence lengths entering the prison service.</p> <p>Unless otherwise stated, in the central estimates in this IA where there is an impact on the prison population, it is assumed that the offence mix and sentence length distribution of offenders sent to custody remains the same as it is now.</p>	<p>Changes to upstream factors such as crime, police resourcing, charges, sentencing and future policies will result in variation from projections. Additionally, the closure of courts during the COVID-19 pandemic resulted in a backlog of trials which will need to be worked through.</p> <p>The prison population projection scenarios used in this IA are based on how the additional police resource is allocated and how this effects the mix of offences and sentence length of future sentences – these were:</p> <ul style="list-style-type: none"> • Current Focus – this assumed that the characteristics of future convictions remains the same as in recent years • Serious Focus – this assumed the police would focus on high harm, low volume crime, meaning a smaller increase in the number of sentences, but the individuals sentenced were for more serious crimes and received longer sentences than the current average • Visible Policing – this assumed the opposite to Serious Focus and that the additional resource would result in more sentences of low harm, high volume offences
	Annual probation costs per offender costs have been modelled using the economic forecasts of the Probation Reform programme.	<p>The modelling includes all levels of staffing and vary depending on both the tier of the offenders affected & their disposal type. It also includes the intensity of probation activity that is estimated to take place.</p> <p>In some cases in this IA, the probation costs or benefits are marginal, not full annual costs.</p>
	The probability of release via Parole Board from a single application is 23% for any offender.	This applies to any sentence with a discretionary release mechanism and is based on aggregate data published by the Parole Board. No granular data is available to estimate the release rate for different sentence types or sentence length. If the release rate is lower for cohorts targeted in this IA, the impacts will be an underestimate.
	Sentencer behaviour remains the same.	If sentencer behaviour were to change, it would have a knock-on effect on almost every measure in this IA. Sentencer behaviour changing could change the number of people given community orders or suspended sentences. Or change the average sentence length imposed on any custodial sentence. It could also affect the type of sentence given and ultimately the time spent under licence supervision in the community.
	An optimism bias of 20% has been applied to all costs and benefits.	This is standard practice in IAs to account for unforeseen costs or over-

		estimated benefits. Therefore, it may be the case that monetised costs and benefits are lower than estimated.
Abolish the automatic halfway release for serious offenders	See the assumptions and risks in the separate IA	See the assumptions and risks in the separate IA.
Child murderers to get WLOs	None of the adult offenders convicted of homicide where the victim was a child in the observed data were given a WLO.	This is not possible to verifying using the data sources available, but it is a reasonable assumption given the very small number of WLOs imposed per year. As the offenders would get a mandatory life sentence in the current baseline, if this assumption is wrong the effects are still minimal and would not be felt for 23+ years.
	The average time spent in custody for offenders currently serving a WLO is 35 years, where the offender has already served more than the average mandatory life sentence length (23 years)	WLOs are the most severe form of custodial sentence and are rarely given out, as such there is limited data and historic data may not be representative of future offenders. Due to the nature of offences that warrant WLOs it is hard to accurately predict future offence volumes, generally.
Change the way discretionary life sentence tariffs are calculated	All assumptions and risks captured by overarching section.	
Increase the earliest conditional release point of sexual offences serving a SOPC	See the assumptions and risks in the separate IA	See the assumptions and risks in the separate IA.
Simplify OOCs	See the assumptions and risks in the separate IA	See the assumptions and risks in the separate IA.
Establish problem solving courts	The volume of offenders diverted is based on those sentenced to under 2 years of custody or Community Orders or Suspended Sentence Orders, with at least one health need (alcohol, drug or mental health) that plead guilty and accept referral.	Level of need based on Offender Assessment System assessment which may be an under/overestimate. Proportion of guilty pleas and acceptance to treatment are estimates.
	Review hearings take place fortnightly for the first six months and monthly thereafter.	The frequency of reviews may need to be adjusted depending on need and effectiveness following the pilot and evaluation period. The pattern/volume of breach hearings and outcomes as a result of a breach highly uncertain.
Strengthen probation officer powers	Duration of additional offender management required by each cohort affected by the policy.	Each of these assumptions relates to the unit cost for additional probation supervision. There are overlapping interactions between them and so there may be a large overall change to the estimates in this IA if all of them were over or under-estimated.
	Distribution of offenders under supervision by offender management tier.	
	Intensity of additional offender management supervision.	
	Additional staffing levels required to meet additional demand.	

	Breach rate is 24% for community orders and 22% for suspended sentence orders.	This is based on data from a single year, 2017. The data is three years old and breach rates may have since changed. Any changes in these rates will directly affect the prison population.
Abolish Senior Attendance Centres	Cost of running a senior attendance centre is £31,198 per centre per year	This aligns with the probation reform business case.
	There are 26 total senior attendance centres in operation	
	1,000 offenders are sentenced to a senior attendance centre per year	The assumption is based on 2018/19 data only, rather than more recent data. Time series analysis up to this point suggests that there is little volatility.
Abolishing automatic halfway release for serious offenders (youth)	Individuals currently serve half of their sentence in custody. Under this measure they will serve two-thirds in custody.	Early-release and return to custody due to breaches mean this is not true for all cases, therefore impacts may vary from those estimated.
	All children would transition into the adult estate under the current policy, therefore, all impacts will be felt in the adult estate.	Some additional costs may be incurred by YCS – this is thought to be unlikely as all sentences in the past 3 years that would be in scope were to children who were at least 15 at the point of sentencing, and at least 3.5 years must be served in custody under current release provisions.
Reform youth DTOs	See the assumptions and risks in the separate IA	See the assumptions and risks in the separate IA.
Location monitoring requirements on YROs	Children who would currently receive a YRO with a curfew requirement will also receive a location monitoring requirement. Therefore, the additional cost is just the GPS equipment cost, with no increase in the overall EM caseload.	If a significant number of children receive location monitoring who would not have otherwise received any form of EM then this could incur additional running costs beyond those estimated.
	No children will receive a community sentence who would otherwise have received a custodial sentence as a direct result of this policy.	This measure is part of a number of changes aimed at providing stronger alternatives to custody. If children are diverted from custodial to community sentences as a result of this (and other policies) this would incur additional YOT and EM costs, but could provide substantial YCS savings.
Extend the maximum curfew period from 12 months to 24 months	No additional costs will arise from the initial sentencing for courts or legal aid.	It is expected that offenders will continue to be sentenced in the same Magistrate court or Crown Court, and they will incur the same legal aid costs.
	The increases in curfews will only apply to those who receive curfew as a requirement currently and assumes there will not be diversion from custody or new offenders receiving curfew.	There is uncertainty around how sentencers will apply the increased maximum time for curfew. It is assumed that sentencing behaviour will remain the same, bar the increase in curfew length according to the scenarios.
	Any changes in breach rates and violations will be negligible	There is uncertainty around how offenders may behave with longer curfews and how these may be applied by judges and administered by probation officials. Management

		information indicates that there is a very small/negligible difference in curfew violations for those sentenced to curfew of 12 to compared to 18 months.
	EM costs include the cost of technology and the monitoring of offenders. These costs do not include additional uplifts for supplier premium for perceived increased risk of harm, additional loss of equipment, no SIM costs, no impact on software or contract management.	It is assumed the cohort will remain similar to those currently receiving curfew requirements. If the characteristics of the cohort change or there is substantial increased demand, there may be additional costs related to increased wear and tear, damage of technology and supplier related costs.

I. Wider impacts

Equalities

81. We hold the view that none of the White Paper measures are likely to be directly discriminatory within the meaning of the Equality Act 2010 as they apply equally to all offenders. Please see the separate overarching equalities impact assessment published alongside this IA for further details.

Impact on small and micro businesses

82. There are not assumed to be any direct costs or benefits to business for measures (a) through (q).

Better regulation

83. These measures are out of scope of the Small Business Enterprise and Employment Act 2015 and will not count toward the department's business impact target.

J. Potential trade implications

84. There are not assumed to be any direct costs or benefits to business for measures (a) through (q).

K. Monitoring and Evaluation

85. The impact of the changes will be monitored by MoJ or associated agencies.