

#### Description of policy

The Opposition has outlined a policy to extend the Youth Justice Board and Youth Offending Teams model to people aged 18-20. This policy has been outlined in the following sources:

- A Labour Press Release said: 'We will: build on the successes of the youth justice system that has cut crime and the numbers behind bars by extending the same local partnership model to those aged 18-20' (*Labour Press Release*, 13 August 2014, [http://www.politicshome.com/uk/article/103080/labour\\_labour\\_highlights\\_the\\_choice\\_on\\_justice\\_with\\_prisons\\_crisis\\_summit\\_on\\_worsening\\_state\\_of\\_jails.html](http://www.politicshome.com/uk/article/103080/labour_labour_highlights_the_choice_on_justice_with_prisons_crisis_summit_on_worsening_state_of_jails.html)).
- Sadiq Khan said: 'the IPPR have published a report recommending extending the remit of the Youth Justice Board and Youth Offending Teams to cover 18, 19 and 20 year olds...We will explore the workability and costs, but let me be clear: I believe this is an idea whose time has come' (Sadiq Khan, *Speech to Reform conference*, 2 July 2014, <http://sadiqkhan.tumblr.com/post/90548488495/speech-by-rt-hon-sadiq-khan-mp-shadow-justice>).
- Labour's Local Government Innovation Taskforce: 'extend Youth Offending Teams support to young adults aged 18-20 to strengthen effective local approaches to reducing reoffending' (Local Government Innovation Taskforce, *Final Report: People-powered public services*, July 2014, <http://lgalabour.local.gov.uk/documents/330956/6335671/INNOVATION+TASKFORCE+FINAL+REPORT.pdf/caf08244-4d23-45bb-b87a-472d93b27d59>).
- The IPPR report containing the proposal (*Everyday Justice: Mobilising the power of victims, communities and public services to reduce crime*) envisages that it would replicate some of the successes of the youth justice system and lead to increased diversion of young adult offenders from the CJS, more effective multi-agency rehabilitation and a reduction in the use of custody.

#### Additional policy assumptions

- The policy would see 18, 19 and 20-year-olds subject to supervision in the community – either as a result of a community sentence or on licence following release from custody – being the responsibility of Youth Offending Teams (YOTs), rather than adult probation services.
- The scope of the prevention work currently undertaken by YOTs, aimed at supporting 'at risk' young people before they enter the Criminal Justice System, would extend to encompass young people up to and including the age of 20.
- The policy envisages the involvement of YOTs in triage for 18-20 year olds leading to greater diversion from the CJS.
- That 18-20 year olds would be subject to equivalent interventions and supervision arrangements as an average cohort of under-18s.
- On the basis that the policy proposal appears to focus on supervision by YOTs in the community, it is assumed that 18-20 year olds would remain subject to the existing adult sentencing framework and if sentenced to – or remanded in – custody would continue to be accommodated as they are currently in the young adult estate.

- The expected cost of this policy is dependent on the level of service envisaged under the proposed system – we have provided a range of costings based on the full range of potential levels of provision: (i) the lower bound scenario involves the minimum level of provision currently offered to under-18s by YOTs being provided to 18-20 year olds; and (ii) the upper end involves the provision of the most intensive supervision available (YRO plus Intensive Supervision and Surveillance requirement (ISSP)) to all 18-20 year olds on the probation caseload for Suspended Sentence Orders, Community Orders and post-release supervision.
- A central estimate has been provided. This estimate is based on the midpoints of Youth Rehabilitation Order (non-ISSP) and post-release costs. The non-ISSP costs are used as there are no estimates of what proportion of 18-20 year olds would be offered the most intensive supervision available.
- The unit costs do not reflect the future costs of probation following Transforming Rehabilitation Programme. The volumes do not assume any uplift to account for the increase of licence period to at least 12 months for all those released from custody.
- It has been assumed that there is no cost impact on the wider Transforming Rehabilitation Programme, outside of the impact on 18-20 year olds.
- The above assumptions relating to the Transforming Rehabilitation Programme have been made because costings are based on current Government policy/operations. At the point at which contracts are signed, costings may be recalculated to reflect the future costs of probation.
- There are assumed to be no transition costs. There is currently not enough detail on the implementation envisaged within this policy in order to provide an accurate costing.
- It has been assumed that no additional cost will result from YOTs undertaking prevention work with 18-20 year olds at risk of offending.
- Any expansion to the YJB remit may require additional administrative support in terms of staff. However, it is assumed that support could be transferred from probation services, as the total number of young people under supervision remains constant.

Producing a more precise estimated cost would require Ministers and/or Special Advisers to define a number of further policy assumptions on how the policy would operate in practice and its likely impact.

#### Additional technical modelling assumptions or judgements required

In order to make an estimate of the potential range of cost impacts, we have made the following modelling assumptions:

- The costing set out in the table below has been calculated on the basis of: (1) identifying the difference between the average costs of supervising an offender in the community by a YOT and the average cost of supervising an offender on an equivalent sentence by adult probation services; and then (2) multiplying this by an estimate of the number of 18-20 years olds likely to subject to supervision in the community in a given year. We cannot, currently, provide an estimated unit cost for the preventative interventions delivered by YOTs. As such they have been excluded from the costing above.

- Volumes of 18-20 year olds on the probation caseload on 31 December 2013 (unpublished breakdown of total caseload volumes from the Offender Management Quarterly Stats Table 4.7 <https://www.gov.uk/government/collections/offender-management-statistics-quarterly>):
  - Community Orders – 8,439
  - Suspended Sentences – 4,303
  - Post release licence – 6,209
- For the purposes of this proposal, volumes are assumed to remain constant in the future. Any change in volume and / or case mix could lead to a change in the cost of provision.
- Unit costs for probation (taken from Probation Trust Unit Costs Financial Year 2012-13 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/254027/probation-trust-unit-costs-2012-13.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254027/probation-trust-unit-costs-2012-13.pdf)):
  - Community Orders / Suspended Sentence Orders – £4,305 per year in 2012-13 prices
  - Post-release licence – £2,620 per year in 2012-13 prices
- Unit costs for youth justice disposals (taken from the NAO (2010), *The youth justice system in England and Wales: Reducing reoffending by young people*. Fig.12 <http://www.nao.org.uk/wp-content/uploads/2010/12/1011663.pdf>). Figures provided below uprate the costs provided in the NAO report to cover a full year:
  - Referral order – £4,400 to £8,000 in 2010-11 prices.
  - Youth Rehabilitation Order – £3,800 to £8,200 in 2010-11 prices.
  - Youth Rehabilitation Order with ISSP requirement – £15,600 to £18,600 in 2010-11 prices.
  - Post-release from custody supervision – £5,200 to £11,600 in 2010-11 prices.
- As published costs are in previous years' prices, we have used an inflationary uplift to bring the costs into 2014-15 prices, based upon the GDP deflator (<https://www.gov.uk/government/publications/gdp-deflators-at-market-prices-and-money-gdp-june-2014-quarterly-national-accounts>):
  - Factor for inflation between 2010-11 and 2014-15 a factor of 1.075 is applied.
  - Factor for inflation between 2012-13 and 2014-15 a factor of 1.041 is applied.

If needed, information required on distributional effects of the policy

N/a

Cost/Revenue to the Exchequer over five years

	DEL					AME				
	Start-up cost	Year 2	Year 3	Year 4	Year 5	Start-up cost	Year 2	Year 3	Year 4	Year 5
Current	£65m (£15 – £260m)	£65m (£15 – £260m)	£65m (£15 – £260m)	£65m (£15 – £260m)	£65m (£15 – £260m)	NA	NA	NA	NA	NA
Capital	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>£65m</b> <b>(£15m</b> <b>–</b> <b>£260m)</b>	<b>£65m</b> <b>(£15 –</b> <b>£260m)</b>	<b>£65m</b> <b>(£15 –</b> <b>£260m)</b>	<b>£65m</b> <b>(£15 –</b> <b>£260m)</b>	<b>£65m</b> <b>(£15 –</b> <b>£260m)</b>	NA	NA	NA	NA	NA
Distributional effects (if none requested, any significant):										
N/a										
Comparison with current system (if applicable):										
<p><b>£65m per annum</b> (£15 – £260m per annum). With limited information on the policy proposal it is not possible to estimate more precisely the potential cost impact.</p> <p>This is the difference between the estimated existing costs of providing supervision in the community for <b>around 19,000</b> of 18-20 years olds under existing probation arrangements, and the estimated costs of supervising the same cohort by YOTs. As noted above, assumptions around costs related to transition, the wider TR programme and any preventative interventions delivered to this cohort by YOTs would be required to provide a credible cost estimate (these have been excluded due to lack of clarity on the proposal).</p>										
Other comments (including other Departments consulted):										
Analysis undertaken by the Ministry of Justice										
<i>To be completed by Permanent Secretary's Office</i> Date costing signed off:								6 October 2014		
6 [If applicable] Date revised costing signed off:										