



**Ministry
of Justice**

Costs per place and costs per prisoner

National Offender Management Service
Annual Report and Accounts 2012-13
Management Information Addendum

**Ministry of Justice
Information Release**

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Definitions of Prison Functions and Key Terms used in the Tables

Functions	Definitions
Male category B Male category C Female closed	Closed training prisons provide a range of facilities for Category B and Category C adult male prisoners and closed condition adult females who are serving medium to long-term sentences. Prisoners tend to be employed in a variety of activities such as prison workshops, gardens and education and in offending behaviour programmes.
Male dispersal	These prisons hold the most difficult and dangerous prisoners in England and Wales including those assessed as Category A. They serve to spread the Category A population, ensuring that the most dangerous prisoners are not concentrated in a single establishment, thereby reducing the risks involved in holding them.
Female local Male local	Local prisons serve the courts and receive remand and post conviction prisoners, prior to their allocation to other establishments.
Female open Male open	Open prisons house Category D adult male prisoners and Open condition adult females whose risk of absconding is considered to be low, or who are of little risk to the public because of the nature of their offence. Open prisons also house long-term prisoners who are coming towards the end of their sentence and who have gradually worked their way down the categories. Open prisons are part of the resettlement programme to reintegrate prisoners back into society. Whilst Open prisons may have some workshop facilities, some of the prisoners will work in the community, returning to the prison in the evening.
Male closed YOI (ages 15-21)	Young Offender Institutions (YOIs) holding Young Adults (18 to 21 years old). May also include young people (aged 15 to 17) who are held separately from adults within the establishment.
Male YOI young people (ages 15-17)	Young Offender Institutions (YOIs) holding Young People (15 to 17 years old).
Male open YOI	Open YOI prisons house young adult prisoners whose risk of absconding is considered to be low, or who are of little risk to the public because of the nature of their offence.
Cluster	Cluster prisons may contain a number of prisons with different functions.

Terms	Definitions
Cost per Place	Cost per place is the average cost of providing a prison place for the year. It is the Direct resource expenditure or Overall resource expenditure divided by Baseline Certified Normal Accommodation.
Cost per Prisoner	Cost per prisoner is the average cost of holding one prisoner for the year. It is the Direct resource expenditure or Overall resource expenditure divided by the average prison population
Certified Normal Accommodation	Certified Normal Accommodation (CNA), or uncrowded capacity, is the Prison Service's own measure of accommodation. CNA represents the good, decent standard of accommodation that the Service aspires to provide all prisoners.
Baseline Certified Normal Accommodation	Baseline CNA is the sum total of all certified accommodation in an establishment except, normally: cells in punishment or segregation units; healthcare cells or rooms in training prisons and YOIs that are not routinely used to accommodate long stay patients. It is not reduced for places not available for immediate use, for example damaged cells or cells affected by building works.
Average Population	The prison population average is the (mean) average of the 12-month end prison populations for the year.
Direct Resource Expenditure	Direct Resource Expenditure is net expenditure managed and recorded at each prison.
Overall Resource Expenditure	Overall Resource Expenditure also includes net expenditure met at regional or national level and recorded in the Annual accounts of the National Offender Management Service (NOMS).
Private Finance Initiative (PFI)	Prisons that are designed, constructed, managed and financed by the private sector.
Operate & Maintain Prisons	Prisons that are leased to a private sector operator who contracts directly to run the prison and maintain the buildings.
Contracted (Private Sector) Prisons	Prisons that are operated by a private sector contractor.
Public Sector Prisons	Prisons that are operated by the public sector (HMPS).

Table 1: Summary by Prison Function 2012-13

Function	Certified Normal Accommodation	Average Population	Direct Resource Expenditure	Cost per Place	Cost per Prisoner	Overall Resource Expenditure	Cost per Place	Cost per Prisoner
Male category B	4,077	4,116	£119,757,060	£29,374	£29,092	£138,444,888	£33,958	£33,632
Male category C	29,210	29,728	£659,767,580	£22,587	£22,193	£909,397,544	£31,133	£30,591
Male dispersal	3,316	3,216	£149,310,348	£45,027	£46,431	£193,605,592	£58,385	£60,205
Female closed	953	896	£25,591,643	£26,842	£28,565	£34,135,065	£35,803	£38,101
Female local	2,936	2,643	£100,865,231	£34,359	£38,169	£125,341,832	£42,696	£47,432
Female open	248	209	£5,975,794	£24,096	£28,535	£8,226,353	£33,171	£39,282
Male closed YOI (ages 15-21)	5,394	5,269	£160,743,068	£29,802	£30,505	£220,357,966	£40,855	£41,818
Male YOI young people (ages 15-17)	1,860	1,064	£89,529,938	£48,143	£84,158	£106,796,220	£57,428	£100,388
Male local	23,322	28,736	£732,268,340	£31,398	£25,483	£959,671,360	£41,149	£33,396
Male open	3,645	3,547	£64,434,815	£17,680	£18,165	£92,140,580	£25,282	£25,975
Male open YOI	322	283	£7,695,106	£23,898	£27,191	£10,557,758	£32,788	£37,307
Cluster	5,116	5,413	£109,051,171	£21,317	£20,148	£160,606,741	£31,395	£29,673
Totals	80,398	85,120	£2,224,990,095	£27,675	£26,139	£2,959,281,898	£36,808	£34,766

Source: National Offender Management Service

Averages and Expenditure figures have been rounded to the nearest integer. Totals were formed from unrounded figures and therefore may not equal the sum of the rounded parts

Table 2a: Summary Comparison of 2012-13 with 2011-12

	Certified Normal Accommodation	Average Population	Direct Resource Expenditure	Cost per Place	Cost per Prisoner	Overall Resource Expenditure	Cost per Place	Cost per Prisoner
2012-13 Totals	80,398	85,120	£2,224,990,095	£27,675	£26,139	£2,959,281,898	£36,808	£34,766
Comparison with 2011-12¹								
2011-12 Totals (Published October 2012)	79,473	86,048	£2,213,371,810	£27,851	£25,722	£2,992,015,263	£37,648	£34,771
- adjustment of rates from Contracted Prisons' direct costs			-£3,818,292					
- adjustment for notional charges, HQ costs and VEDS						-£7,208,075		
2011-12 Restated Totals¹			£2,209,553,518	£27,802	£25,678	£2,984,807,188	£37,557	£34,688
Change (in nominal terms)	925	-928	£15,436,577	-£128	£461	-£25,525,290	-£749	£78
				-0.5%	1.8%		-2.0%	0.2%
Restated 2011-12 expenditure² (adjusted by GDP deflator ² to give real terms change)			£2,248,634,791	£28,294	£26,132	£3,037,600,688	£38,222	£35,301
Change (in real terms) ²	925	-928	-£23,644,696	-£619	£7	-£78,318,790	-£1,414	-£535
Real terms percentage increase in 2012-13	1.2%	-1.1%	-1.1%	-2.2%	0.0%	-2.6%	-3.7%	-1.5%

Source: National Offender Management Service

The purpose of this table is to show the real movement in unit costs between 2011-12 and 2012-13 after allowing for the effects of changes in accounting treatment and inflation.

Notes to Table 2a:

1. The table provides a comparison between 2012-13 and the restated 2011-12 figures. 2011-12 has been restated to enable a more fair comparison between the two years.

It includes a number of changes:

- removal of business rates from Contracted Prisons' direct costs. This is now shown against overall costs to provide a more like-for-like comparison with Public Sector Prisons.
- increase in notional MoJ Corporate charges to account for services provided (Shared Services Centre, Procurement and Estates) that were not included in the 2011-12 accounts.
- increase in the level of apportionment to Contracted Prisons and Probation from HQ business units to address an imbalance in apportionment towards Public Sector Prisons.
- removal of Voluntary Early Departure Scheme (VEDS) costs arising from the restructure of NOMS.

2. This table also gives an adjustment by the GDP deflator to give changes in real terms between the two years, using GDP deflator published by HM Treasury on 26 September 2013: 100/ 98.262

Averages and Expenditure figures have been rounded to the nearest integer. Totals were formed from unrounded figures and therefore may not equal the sum of the rounded parts.

Table 2b: Comparison of 2012-13 with 2011-12 between Public Sector and Contracted Prisons

	Certified Normal Accommodation	Average Population	Direct Resource Expenditure	Cost per Place	Cost per Prisoner	Overall Resource Expenditure	Cost per Place	Cost per Prisoner
Public Sector Prisons								
2012-13 Totals	69,126	72,638	£1,799,053,652	£26,026	£24,768	£2,487,417,605	£35,984	£34,244
2011-12 Totals	69,912	75,409	£1,859,058,888	£26,591	£24,653	£2,623,564,340	£37,526	£34,791
Adjustments			-£21,410,406					
2011-12 Restated Totals¹			£1,859,058,888	£26,591	£24,653	£2,602,153,935	£37,220	£34,507
<i>Change (in nominal terms)</i>	-787 -1.1%	-2,772 -3.7%	-£60,005,236 -3.2%	-£565 -2.1%	£115 0.5%	-£114,736,330 -4.4%	-£1,236 -3.3%	-£263 -0.8%
Restated 2011-12 expenditure¹			£1,891,940,820	£27,062	£25,089	£2,648,179,291	£37,878	£35,117
<i>Change (in real terms)</i>			-£92,887,168 -4.9%	-£1,036 -3.8%	-£321 -1.3%	-£160,761,686 -6.1%	-£1,895 -5.0%	-£873 -2.5%
Contracted Prisons (PFI)								
2012-13 Totals	7,951	8,738	£344,230,244	£43,294	£39,393	£366,956,226	£46,152	£41,994
2011-12 Totals	7,975	8,453	£311,282,509	£39,032	£36,824	£316,703,170	£39,712	£37,465
Adjustments			-£2,994,270			£12,438,451		
2011-12 Restated Totals¹			£308,288,238	£38,657	£36,469	£329,141,621	£41,272	£38,936
<i>Change (in nominal terms)</i>	-24 -0.3%	285 3.4%	£35,942,006 11.5%	£4,637 12.0%	£2,924 8.0%	£37,814,604 11.5%	£4,881 11.8%	£3,058 7.9%
Restated 2011-12 expenditure¹			£313,741,058	£39,341	£37,114	£334,963,283	£42,002	£39,625
<i>Change (in real terms)</i>			£30,489,186 9.7%	£3,953 10.0%	£2,279 6.1%	£31,992,942 9.6%	£4,151 9.9%	£2,369 6.0%
Contracted Prisons (Operate & Manage)								
2012-13 Totals	3,321	3,744	£81,706,199	£24,602	£21,822	£104,908,068	£31,588	£28,018
2011-12 Totals	1,586	2,186	£43,030,413	£27,134	£19,688	£51,747,753	£32,631	£23,676
Adjustments			-£824,022			£1,763,879		
2011-12 Restated Totals¹			£42,206,392	£26,615	£19,311	£53,511,632	£33,744	£24,483
<i>Change (in nominal terms)</i>	1,735 109.4%	1,559 71.3%	£39,499,807 91.8%	-£2,013 -7.6%	£2,511 13.0%	£51,396,436 96.0%	-£2,156 -6.4%	£3,535 14.4%
Restated 2011-12 expenditure¹			£42,952,913	£27,085	£19,652	£54,458,114	£34,340	£24,916
<i>Change (in real terms)</i>			£38,753,286 90.2%	-£2,484 -9.2%	£2,170 11.0%	£50,449,954 92.6%	-£2,753 -8.0%	£3,102 12.5%
Total (as per Table 2a)								
2012-13 Total	80,398	85,120	£2,224,990,095	£27,675	£26,139	£2,959,281,898	£36,808	£34,766
2011-12 Totals (Published October 2012)	79,473	86,048	£2,213,371,810	£27,851	£25,722	£2,992,015,263	£37,648	£34,771
Adjustments			-£3,818,292			-£7,208,075		
2011-12 Restated Totals¹			£2,209,553,518	£27,802	£25,678	£2,984,807,188	£37,557	£34,688
<i>Change (in nominal terms)</i>	925 1.2%	-928 -1.1%	£15,436,577 0.7%	-£128 -0.5%	£461 1.8%	-£25,525,290 -0.9%	-£749 -2.0%	£78 0.2%
Restated 2011-12 expenditure¹			£2,248,634,791	£28,294	£26,132	£3,037,600,688	£38,222	£35,301
<i>Change (in real terms)</i>			-£23,644,696 -1.1%	-£619 -2.2%	£7 0.0%	-£78,318,790 -2.6%	-£1,414 -3.7%	-£535 -1.5%

Notes to Table 2b:

- The table provides a breakdown of the changes in nominal terms over the two years, including adjustments where appropriate, between Public Sector and Contracted Prisons. This table also gives an adjustment by the GDP deflator to give changes in real terms between the two years, using GDP deflator published by HM Treasury on 26 September 2013: 100/ 98.262
- The unit costs of public and private prisons are not directly comparable because of different methods of accounting and of scope (e.g. PFI prisons include interest charges and most private prisons include health and education costs).

Averages and Expenditure figures have been rounded to the nearest integer. Totals were formed from unrounded figures and therefore may not equal the sum of the rounded parts.

Explanatory notes

Data in this report are drawn from administrative IT systems. Although care is taken when processing and analysing the data, the level of detail collected is subject to the inaccuracies inherent in any large-scale recording system.

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