



Ministry  
of Justice

# Costs per place and costs per prisoner

National Offender Management Service  
Annual Report and Accounts 2014-15  
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).

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 2014-15**

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	6,251	6,325	£164,793,339	£26,363	£26,053	£209,378,941	£33,495	£33,102
Male category C	30,408	31,463	£650,171,742	£21,382	£20,665	£945,555,027	£31,096	£30,053
Male dispersal	3,314	3,183	£138,929,122	£41,918	£43,650	£189,283,721	£57,111	£59,470
Female closed	601	585	£15,350,486	£25,534	£26,255	£21,704,972	£36,105	£37,124
Female local	2,941	2,768	£98,150,995	£33,369	£35,465	£126,396,164	£42,971	£45,670
Female open	248	185	£5,812,765	£23,439	£31,435	£7,813,839	£31,507	£42,256
Male closed YOI (ages 15-21)	2,867	2,480	£83,522,165	£29,131	£33,679	£118,249,292	£41,243	£47,683
Male YOI young people (ages 15-17)	1,269	749	£48,403,518	£38,138	£64,660	£65,336,028	£51,479	£87,280
Male local	24,582	32,374	£724,753,694	£29,484	£22,387	£1,001,014,792	£40,722	£30,920
Male open	4,507	4,127	£74,503,428	£16,530	£18,054	£113,502,197	£25,183	£27,505
Other	355	0	£5,006,723			£6,159,966		
<b>Totals</b>	<b>77,344</b>	<b>84,238</b>	<b>£2,009,397,979</b>	<b>£25,980</b>	<b>£23,854</b>	<b>£2,804,394,939</b>	<b>£36,259</b>	<b>£33,291</b>

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 2014-15 with 2013-14**

	Certified Normal Accommodation	Average Population	Direct Resource Expenditure	Cost per Place	Cost per Prisoner	Overall Resource Expenditure	Cost per Place	Cost per Prisoner
<b>2014-15 Totals</b>	<b>77,344</b>	<b>84,238</b>	<b>£2,009,397,979</b>	<b>£25,980</b>	<b>£23,854</b>	<b>£2,804,394,939</b>	<b>£36,259</b>	<b>£33,291</b>
<b>Comparison with 2013-14<sup>1</sup></b>								
2013-14 Totals (Published October 2014)	78,127	83,798	£2,089,452,194	£26,744	£24,935	£2,831,077,096	£36,237	£33,785
- transfer of probation secondees from prisons			-£19,048,000			-£19,048,000		
- transfer of CICT hard-charged budgets to HQ			-£5,941,000					
- transfer of finance staff from prisons to HQ			-£3,605,000					
- withdrawal of healthcare services from private prisons			-£2,209,882			-£2,209,882		
<b>2013-14 Restated Totals<sup>1</sup></b>			<b>£2,058,648,312</b>	<b>£26,350</b>	<b>£24,567</b>	<b>£2,809,819,214</b>	<b>£35,965</b>	<b>£33,531</b>
Change (in nominal terms)	-783	440	-£49,250,333	-£370	-£713	-£5,424,275	£294	-£240
				-1.4%	-2.9%		0.8%	-0.7%
<b>Restated 2013-14 expenditure<sup>2</sup></b> (adjusted by GDP deflator <sup>2</sup> to give real terms change)			<b>£2,088,111,566</b>	<b>£26,727</b>	<b>£24,919</b>	<b>£2,850,033,183</b>	<b>£36,479</b>	<b>£34,011</b>
Change (in real terms) <sup>2</sup>	-783	440	-£78,713,587	-£747	-£1,065	-£45,638,243	-£221	-£720
<b>Real terms percentage increase in 2014-15</b>	<b>-1.0%</b>	<b>0.5%</b>	<b>-3.8%</b>	<b>-2.8%</b>	<b>-4.3%</b>	<b>-1.6%</b>	<b>-0.6%</b>	<b>-2.1%</b>

Source: National Offender Management Service

The purpose of this table is to show the real movement in unit costs between 2013-14 and 2014-15 after allowing for the effects of changes in accounting treatment and inflation.

**Notes to Table 2a:**

1. The table provides a comparison between 2014-15 and the restated 2013-14 figures. 2013-14 has been restated to enable a more fair comparison between the two years.

It includes the following changes:

- from 2014-15 the cost of probation staff seconded to prisons is no longer charged to prisons and the expenditure is recorded under probation, so both Direct and Overall prison costs have reduced;
- from June 2014 finance staff working in prisons have transferred into the Finance and Analysis Directorate, so the cost has switched from a direct cost to an overhead included in the Overall Cost;
- Some ICT costs which have previously been charged out to prisons are now accounted for centrally in NOMS so the public sector Direct Costs have reduced in 2014-15; and
- The provision of health services for two private prisons has been removed from their contracts and it is now an NHS cost, so both Direct and Overall Costs have reduced in 2014-15.

2. This table also gives an adjustment by the GDP deflator to give changes in real terms between the two years, using figures published by the Office for National Statistics on 30 September 2015: 100/ 98.589

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 2014-15 with 2013-14 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
<b>Public Sector Prisons</b>								
<b>2014-15 Totals</b>	<b>64,548</b>	<b>69,418</b>	<b>£1,566,890,571</b>	<b>£24,275</b>	<b>£22,572</b>	<b>£2,306,465,183</b>	<b>£35,732</b>	<b>£33,226</b>
2013-14 Totals	66,192	70,409	£1,664,698,203	£25,150	£23,643	£2,350,122,545	£35,505	£33,378
Adjustments			£-28,594,000			£-19,048,000		
<b>2013-14 Restated Totals<sup>1</sup></b>			<b>£1,636,104,203</b>	<b>£24,718</b>	<b>£23,237</b>	<b>£2,331,074,545</b>	<b>£35,217</b>	<b>£33,108</b>
<i>Change (in nominal terms)</i>	-1,644 -2.5%	-991 -1.4%	£-69,213,632 -4.2%	£-443 -1.8%	£-665 -2.9%	£-24,609,362 -1.1%	£516 1.5%	£118 0.4%
<b>Restated 2013-14 expenditure<sup>1</sup></b>			<b>£1,659,520,030</b>	<b>£25,071</b>	<b>£23,570</b>	<b>£2,364,436,747</b>	<b>£35,721</b>	<b>£33,582</b>
<i>Change (in real terms)</i>	-2.5%	-1.4%	£-92,629,460 -5.6%	£-797 -3.2%	£-998 -4.2%	£-57,971,565 -2.5%	£12 0.0%	£-356 -1.1%
<b>Contracted Prisons (PFI)</b>								
<b>2014-15 Totals</b>	<b>8,012</b>	<b>9,374</b>	<b>£343,764,013</b>	<b>£42,908</b>	<b>£36,670</b>	<b>£369,776,336</b>	<b>£46,155</b>	<b>£39,445</b>
2013-14 Totals	7,971	8,739	£345,370,880	£43,330	£39,521	£374,158,839	£46,941	£42,815
Adjustments			£-2,209,882			£-2,209,882		
<b>2013-14 Restated Totals<sup>1</sup></b>			<b>£343,160,998</b>	<b>£43,053</b>	<b>£39,268</b>	<b>£371,948,957</b>	<b>£46,664</b>	<b>£42,562</b>
<i>Change (in nominal terms)</i>	41 0.5%	635 7.3%	£603,015 0.2%	£-145 -0.3%	£-2,597 -6.6%	£-2,172,621 -0.6%	£-510 -1.1%	£-3,117 -7.3%
<b>Restated 2013-14 expenditure<sup>1</sup></b>			<b>£348,072,298</b>	<b>£43,669</b>	<b>£39,830</b>	<b>£377,272,269</b>	<b>£47,332</b>	<b>£43,171</b>
<i>Change (in real terms)</i>	0.5%	7.3%	£-4,308,285 -1.2%	£-761 -1.7%	£-3,159 -7.9%	£-7,495,933 -2.0%	£-1,177 -2.5%	£-3,726 -8.6%
<b>Contracted Prisons (Operate &amp; Manage)</b>								
<b>2014-15 Totals</b>	<b>4,784</b>	<b>5,445</b>	<b>£98,743,396</b>	<b>£20,640</b>	<b>£18,134</b>	<b>£128,153,420</b>	<b>£26,788</b>	<b>£23,535</b>
2013-14 Totals	3,965	4,650	£79,383,111	£20,023	£17,072	£106,795,712	£26,938	£22,968
Adjustments			£0			£0		
<b>2013-14 Restated Totals<sup>1</sup></b>			<b>£79,383,111</b>	<b>£20,023</b>	<b>£17,072</b>	<b>£106,795,712</b>	<b>£26,938</b>	<b>£22,968</b>
<i>Change (in nominal terms)</i>	820 20.7%	796 17.1%	£19,360,284 24.4%	£617 3.1%	£1,061 6.2%	£21,357,708 20.0%	£-150 -0.6%	£567 2.5%
<b>Restated 2013-14 expenditure<sup>1</sup></b>			<b>£80,519,238</b>	<b>£20,310</b>	<b>£17,317</b>	<b>£108,324,166</b>	<b>£27,324</b>	<b>£23,296</b>
<i>Change (in real terms)</i>	20.7%	17.1%	£18,224,158 22.6%	£330 1.6%	£817 4.7%	£19,829,254 18.3%	£-536 -2.0%	£238 1.0%
<b>Total (as per Table 2a)</b>								
<b>2014-15 Totals</b>	<b>77,344</b>	<b>84,238</b>	<b>£2,009,397,979</b>	<b>£25,980</b>	<b>£23,854</b>	<b>£2,804,394,939</b>	<b>£36,259</b>	<b>£33,291</b>
2013-14 Totals	78,127	83,798	£2,089,452,194	£26,744	£24,935	£2,831,077,096	£36,237	£33,785
Adjustments			£-30,803,882			£-21,257,882		
<b>2013-14 Restated Totals<sup>1</sup></b>			<b>£2,058,648,312</b>	<b>£26,350</b>	<b>£24,567</b>	<b>£2,809,819,214</b>	<b>£35,965</b>	<b>£33,531</b>
<i>Change (in nominal terms)</i>	-783 -1.0%	440 0.5%	£-49,250,333 -2.4%	£-370 -1.4%	£-713 -2.9%	£-5,424,275 -0.2%	£294 0.8%	£-240 -0.7%
<b>Restated 2013-14 expenditure<sup>1</sup></b>			<b>£2,088,111,566</b>	<b>£26,727</b>	<b>£24,919</b>	<b>£2,850,033,183</b>	<b>£36,479</b>	<b>£34,011</b>
<i>Change (in real terms)</i>	-1.0%	0.5%	£-78,713,587 -3.8%	£-747 -2.8%	£-1,065 -4.3%	£-45,638,243 -1.6%	£-221 -0.6%	£-720 -2.1%

**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 figures published by the Office for National Statistics on 30 September 2015: 100/ 98.589
- 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.

## Contact points for further information

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