

**** STRICTLY EMBARGOED UNTIL 9AM ON MONDAY 15 MARCH****

THROUGH THE GATES – AN ANALYSIS OF ECONOMIC IMPACT

**A NARRATIVE SUMMARY OF THE REPORT BY FRONTIER
ECONOMICS**

Key findings

- **The researchers concluded that "Through the Gates provides outstanding value for money to society".**
- **Through the Gates re-offending rate is 40% lower than the national re-offending rate.**
- **The study concluded that Through the Gates presents a cost-benefit ratio of 1:10 - that is for every £1 invested in Through the Gates, £10 is saved through the reduced costs of re-offending (*this is a conservative estimate*).**
- **Through the Gates provides an estimated annual saving of between £10.4million and £34.5million.**

What is Through the Gates?

It was a service provided by offender charity St Giles Trust which ran from July 2008 - November 2009. It provided support to prison leavers around accommodation, employment and training, benefits and referrals to other agencies. It resettled individuals into the community after prison and was funded to the tune of £1,050,000 for one year by the London Probation Service.

What does this research examine?

It assesses the economic impact of Through the Gates by balancing the costs of Through the Gates against the costs of re-offending, to calculate the cost-benefit ratio. Several approaches can be used to calculate this to produce different results. The researchers used the most conservative result on which to calculate the final cost benefit ratio of 1:10.

Methodology

Frontier Economics examined data which had been collected on 583 Through the Gates clients from August 2008 - January 2009. They compared this data against a 2007 sample of the national prison leaver

profile whose custodial sentence was longer than one year (Through the Gates clients all served more than one year).

It assessed the impact of Through the Gates by comparing national re-offending rates of the 2007 sample against those of Through the Gates clients. It then estimated cost savings associated with reduced re-offending and applied these to the impact of Through the Gates. The benefit of running such a service was then calculated by comparing the cost savings against the costs of running the Through the Gates service.

Data and figures used

The national re-offending statistics used were provided by the Ministry of Justice.

66.4% of the clients in the Through the Gates sample scored either medium or high risk on the OASys risk assessment system which measures the risk level of an individual's likelihood of re-offending. This clearly indicates that Through the Gates does not cherry pick easier clients.

Two different approaches can be taken to measure the annual costs of individual re-offenders, (NB all of these factors are in 2009 prices).

- **bottom up** which cumulates the hypothetical costs to society for each prisoner re-offending such as sentencing costs, prison costs, non criminal justice costs such lost wages of the offender and their families and costs to the victims and the community. This gave an average cost of £80,825 per year.
- **top down** which took the annual cost of re-offending of £12.76billion. This would imply an individual cost per re-offender of about £162,225.

Both approaches were measured against the re-offending rates of ex-prisoners whose previous sentence was either between one and two years or greater than one year (two comparisons were used because the average length of sentence of the Through the Gates clients was unknown). This gave the following results:

Time in custody	More than 1 year	1-2 years
Bottom up	£10.4m	£17.2 m
Top down	£20.8m	£34.5m

The ultimate cost saving ratio was calculated against the most conservative end of the data:

£10.4million ÷ £1.05million (costs of running Through the Gates) = 10