

The Costs of Crime – And How to Reduce Them



The fourth part of Policy Exchange's
Policy Programme for Prosperity

Roger Bootle, David Spencer, Ben Sweetman and
James Vitali

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Exchequer and Home Secretary

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Published by
Policy Exchange, 1 Old Queen Street, Westminster, London SW1H 9JA

www.policyexchange.org.uk

ISBN: 978-1-917201-46-9

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Introduction

by Sir Sajid Javid, former Chancellor of the Exchequer and Home Secretary

Prosperity cannot exist without the rule of law.

History teaches us that economic activity flourishes in societies that value law and order. When consumers and businesses know that contracts will be honoured, and that the fruits of their labour will be protected from theft and the threat of violence, they have the confidence to work, to earn and to build something of value.

Without this confidence we all suffer. There's a reason that some of the most impoverished areas in the world are those where the rule of law is weakest. Why work hard when everything you've earned can be stolen from you? Why risk opening a shop or setting up a business when it could be defaced, and your products taken from you?

Governments do not create wealth. Businesses do. What the government can do, however, is help to create the conditions in which businesses thrive. As a former Home Secretary and Chancellor, I'm proud to have played a role in this. The previous government halved crime over the course of 14 years. We clamped down hard on offences like domestic burglary and criminal damage.

That said, there's clearly more to do. Shoplifting has doubled since 2018. Knife crime is on the rise. I, like many others, hold my phone a little tighter when using it in public, listening for the sounds of a moped or electric bike approaching on the pavement behind me.

This excellent report takes a detailed look at the impact of crime on the prosperity of the UK. Its authors are public policy experts and economists, so naturally it tells the story of how our prospects for growth are held back through macroanalysis and numbers. But the effects of crime on you or I are more than academic.

Much of the pain is borne by consumers. You will often hear shoplifters claim that stealing from large chains is a victimless crime. It's not. The cost of their crimes must be passed to consumers through higher prices for groceries and other goods. The financial loss from the theft of a bike or laptop is only part of the equation. Many people may struggle to commute, or to do their work. And in a high-crime society, insurance becomes an ever greater expense.

It's also borne by businesses, and those who choose to invest or set up businesses in the UK. I've lost track of the number of times that significant foreign investors have complained to me that they no longer feel safe

in London. Unless this changes, many will choose to go and create jobs elsewhere.

Finally, we all suffer as taxpayers. Fraud against the public sector is a waste of the money that you and I contribute to the exchequer. There's been an explosion of fraud in the benefits system. The rise of TikTok influencers making videos that help fraudsters to cheat our welfare system has a material cost, both in terms of the rising tax bill and the quality of public services that law-abiding citizens can access.

Ultimately, the challenge of cracking down on crime in the UK speaks to a deeper issue. The need to restore trust - both in government and democracy itself.

Criminals corrode the bonds that hold our country together. Their actions destroy trust in other people, trust in institutions and trust in government. And without trust, our police forces and the free market cannot function. A situation in which people believe that when they report a crime the police will not follow up and the perpetrator will not be brought to justice is not sustainable.

Restoring that trust, and the rule of law on which prosperity relies, must be a priority for the government. Without it, our society will suffer. Our prospects for economic growth will suffer. And the costs of that will fall squarely on the British people.

We can, and must, do better.

Foreword

by Andrew Haldane CBE, former Chief Economist at the Bank of England

This year's winners of the Nobel prize in economics, Daron Acemoglu, Simon Johnson and James Robinson, showed that there was a simple explanation for why, over the millennia, some nations have thrived and others failed. Success, economically and societally, was founded on the safety of citizens and the security of laws and property rights, supported by inclusive (rather than extractive) institutions.

What is true for nation states is true too for individuals. Abraham Maslow's hierarchy of needs place safety and security at the base of the pyramid, with only our physiological needs (food, water, warmth, rest) playing a more foundational role. Surveys of citizens, especially those living in the UK's most disadvantaged places, confirm this picture with security and safety paramount among their concerns.

This is sobering background for this comprehensive and compelling assessment of the costs of crime in the UK. Government statistics paint a benign picture of falling rates of crime. But beneath these official statistics lurks a murkier and more concerning danger: a veritable wave of crime sweeping across the UK's streets, with shocking – if not entirely surprising – increases in various categories of crime ranging from shoplifting to stabbings, fraud to anti-social behaviour.

This wave has been given velocity by our increasingly ineffective criminal justice system. Diminished police numbers and increased policing permissiveness, taken alongside larger court backlogs and reduced prosecution and sentencing rates, have recontoured the criminal landscape for law-breakers and law-abiders alike, increasing incentives to commit crime among the former, while reducing trust in justice being served among the latter in a vicious circle, a crime ring.

The societal costs and consequences of this crime ring are difficult to estimate with any precision, but the authors put a plausible central estimate at around 10% of GDP annually. As sobering context, that would put crime well in excess of the costs of running the NHS. While uncertain, this estimate is significantly more plausible – as well as being multiples of – previous Government estimates of the costs of crime.

The composition of this cost is as interesting as its sum. By far the largest of the direct costs of crime are borne by individuals. This helps explain why public perceptions of safety, and their trust in the criminal justice system, are at a low and falling ebb. It also underlines the importance of

capturing, as this study does, the indirect or behavioural costs of crime, including heightened anxiety and increased risk aversion among citizens. These costs weigh especially heavily on the poorest and most vulnerable.

In the UK we are doubly damned by having a stalled economy nested within a society riddled with risk aversion. To tackle these twin demons, and if the all-in costs of crime are on anything like the scale estimated in this report, there is an urgent need to reappraise government policy and spending priorities. The paper provides a rich menu of options to consider. Some are relatively uncontentious such as increasing policing capacity, especially on the streets, and investing to overcome congestion in the courts system and in our Victorian-era prison estate.

Others, such as proposals for increasing the severity of sentencing and expanding prison numbers, raise important points of debate. Does sentencing severity do much, if anything, to deter crime among the law-breakers or alter perceptions of justice being served among law-abiders? Do increased prison numbers reduce, rather than increase, the probability of reoffending unless accompanied by a more than commensurate increase in spending on prison probation and rehabilitation services?

We are approaching what will almost certainly be a brutal, and what could be an electorally-defining, public spending review. In an era of acute anxiety, this report is an arresting clarion – and wake-up – call to all political parties on the true and rising economic costs of crime and the societal consequences of continuing malign neglect of that most foundational of Government responsibilities – the security of citizens.

Endorsement

“This is an inspirational paper, which clearly spells out the scourge of criminality at all levels, together with the urgent need to address the failings of the criminal justice system over many years. The adoption of technological advancements, coupled with a fresh approach to senior police management and the efficient deployment of resources, is an absolute given and is long overdue.

The paper is clear on the funding necessary to introduce these changes and pays attention to the urgent need to increase the prison estate. Credibility in the court system is central to the success of any criminal justice system, the paper clearly outlines the changes necessary to restore integrity and improve efficiency in this area. In ‘Taking back the streets’, it is essential that the public have faith in the effectiveness of neighbourhood policing and the paper rightly identifies the need to deliver a clear presence where knife crime prevails.

Overall, this is a refreshing and practical approach to what has become a blight on society but at a cost that must be met if we are serious about securing the safety of the public and reducing the fear of crime. This should be given serious consideration, and I congratulate the team at Policy Exchange for producing it.”

Lord Davies of Gower, Shadow Home Office Minister

Executive Summary

- Securing the safety of the public is the foremost duty of government. But we are witnessing acute growth in a range of highly visible crimes. This is undermining the very legitimacy of the British state.
- Police recorded shoplifting is up 51% relative to 2015 and is at its highest level in 20 years. Police recorded robberies and knife crime offences are up 64% and 89% respectively over the same period. Public order offences are up 192%. The cost of fraud in the benefits system has increased almost eightfold since 2006.
- These areas of acute growth in criminal incidents are obscured by the aggregate downward trend in crime since 1995 reported by the Crime Survey of England and Wales. Although this is a reputable source, it excludes many types of serious crime.
- Alongside rising crime rates, the criminal justice system is failing. Prisons have reached capacity, and thousands are being released early as a result. As of September 2024, there were 73,105 outstanding crown court cases, 31,000 of which have been outstanding for over 6 months, both numbers being the highest ever. The ratio of police personnel to the population is down 12% from 2010.
- The proliferation of crime is an evil in and of itself. But it also significantly diminishes the prosperity of the British people. Crime has direct costs - the damage to, or loss of, property, the cost of insurance, medical bills, the cost of funding the criminal justice system etc.
- But some of the greatest costs imposed by crime are indirect and hard-to-measure. They relate to the behavioural changes undertaken by individuals and businesses in response to the expectation of crime.
- Order and the rule of law are necessary prerequisites for prosperity. They generate confidence that contracts will be upheld, property will not be stolen or damaged, and that individuals and businesses will enjoy the proceeds of their labour and industry, rather than being deprived of it by criminals. And the converse is true too; when the rule of law is breached with impunity, economic activity suffers.
- In the context of increased crime, both businesses and individuals try to protect themselves by undertaking various preventative measures and taking out insurance. But this also drives up their

costs and thereby diminishes the living standards of law-abiding people.

- Crime thus harms the profitability of businesses and they will tend to pass on the increase in their costs to their customers.
- Moreover, the prevalence of crime and the apparent toleration of it corrode the bonds that hold a society together, damaging the trust in other people and institutions which is essential to the functioning of free markets. In undermining a sense of security, it also increases societal risk aversion.
- We believe the tangible costs of crime in the UK to amount to almost £170 bn per annum, or about 6.5% of GDP. Of these costs, about £38bn are inflicted on businesses, £31bn on the public sector, and about £63bn against individuals.
- But this is an incomplete estimate of the total costs, because it fails to account for the intangible effects on behaviour that derive from the fear of crime. Although these effects are extremely difficult to estimate, they are probably very large. Incorporating them would probably push the total costs of crime to over £250bn, or 10% of GDP.
- Fortunately, the cost of crime to society is a problem with a clear solution. We must ditch the permissive paradigm that dominates our present approach to crime, and shift the balance in policymaking back towards the interests of the law-abiding majority. We lay out here a series of measures that could substantially reduce the prevalence of crime and hence its cost to society.
- Our policy proposals are based around five key themes: **delivering a dramatic expansion of the prison estate; taking back the streets; promoting smarter policing; and reforming sentencing and our courts system – and providing more funding while demanding more accountability.**
- Much of this programme can be delivered without any increase in funding. It will yield a return for little or no cost. The organisation of policing needs to be radically restructured to focus on the deterrence of crime and the catching of criminals. There needs to be a clear-out of senior members of the prison service and the Ministry of Justice.
- Over and above this, however, there is a need for more funding. More resources need to be ploughed into the police and justice system to permit the recruitment of more police officers and staff, build more prisons and improve the functioning of the courts.
- It may seem paradoxical that a programme to reduce the incidence of crime and its costs to society should include spending more public money. But this extra money can bring a significant return to society and a stronger economy. It should be regarded as a form of public investment.
- Nevertheless, in these straitened times there is no scope to increase overall government spending financed by borrowing, and the

burden of taxation is surely at the limits of what the economy can bear.

- Meanwhile, given the global threats faced by the United Kingdom, the defence of the realm requires more funding. This must come at the top of the list of priorities.
- So any increase in funding to finance our proposals must come from reductions in other sorts of public spending. While this paper does not seek to lay out in detail what other sorts of spending ought to be cut, with government spending as a share of GDP at a post-war high, there is ample scope for savings. Civil service manning levels, the benefits bill, overseas aid and the regime for uprating pensions will all have to be reviewed.
- There are two reasons why our proposals should rank highly in the list of spending priorities alongside the need to spend more money on defence. First, by reducing the cost of crime and bringing about a stronger economy, our proposals will eventually enable the provision of more resources for other spending – including defence.
- Second, the external threat to the United Kingdom is no longer purely from conventional warfare. It is hybrid and includes the sponsorship of terrorism, cyber warfare, attacks on critical infrastructure, and campaigns to widen divisions in our society – all activities which undermine the public's confidence in the nation's security at home. Maintaining a strong criminal justice system is fundamental to British interests and countering the threats to the nation which originate both at home and abroad.
- If we are to take a less permissive approach to policing, we need to put more people behind bars. And to do this, we recommend the construction of 43,000 additional prison places and the phasing out of prison over-crowding by building a further 10,000 prison cells.
- Police forces need to take control of the streets and give them back to the law-abiding majority, returning to a version of neighbourhood policing which has community orderliness and security at its heart.
- Policing needs to be smarter, both tactically and strategically, making better use of technology. And it needs to neutralise the threat posed by hyper prolific offenders – the 9% of criminals who commit over half of all crime.
- There also needs to be a major increase in prison sentences for the most serious crimes. The simple fact is that in our society, the chances of being caught are very low and if and when a criminal is caught and convicted the punishment is often laughably lenient.
- This means that for those individuals inclined this way, crime pays. The system needs to be radically redesigned so that it doesn't.

Policy Recommendations

More funding, more accountability

1. The Government should invest an additional £5 billion annually in the criminal justice system. This should include £2.4 billion for prisons, £1.9 billion on additional police officers and staff, £200 million on technology research and investment to fight crime and £500 million on the courts.
2. The Government should replace the most senior executive managers of the Ministry of Justice and His Majesty's Prison and Probation Service with a cadre of leaders who will focus on empowering Prison Governors to run their establishments effectively alongside publicly available performance measures to drive high levels of performance and accountability.
3. A wholesale change in the structure and approach of police leadership is required. The design and implementation of this should be led by an individual from outside policing. This should include Police and Crime Commissioners having the final say in all appointments to chief officer teams.
4. The Government should introduce legal protections for police officers undertaking actions on behalf of the state to reduce the incidence of vexatious allegations of misconduct and the risk of prosecution. There should be a substantial scaling back of the powers and scope of the Independent Office for Police Conduct. Where complainants have previous convictions, this should be a substantial factor in deciding whether to commence a misconduct investigation into a police officer's actions.
5. Legislation should be passed which reduces the 'authority' level for police action – reducing the rank required to the lowest possible level and at a minimum and in all cases reducing the rank required by one lower than is currently required.
6. Ministers should implement an immediate police force improvement programme including the deployment of rapid 'turnaround teams' to take over failing police forces and the introduction of league tables to demonstrate to the public how their local force is performing.

A dramatic expansion of the prison estate

7. The Government should build an additional 53,000 prison places to increase the size of the prison estate by 40,000 prison places and eliminate prison overcrowding.
8. As well as planning permission for prisons being administered through the Crown Development Route, as is now intended by the Government, it should add prisons to the list of National Significant Infrastructure Projects (NSIP) to overcome the significant challenges relating to the planning system when building prisons.

Taking back the streets

9. The Government should follow through on its commitment to increase the number of police officers working in neighbourhood policing, who must be focused on fighting crime and disorder. To ensure chief constables deliver, funding for such policing should be ring-fenced.
10. The Special Constabulary should be remodelled entirely as the Reserves Constabulary – based upon the contribution made by the armed forces reservists. This should entail a substantial increase in the size of the Reserve Constabulary which enables a minimum annual commitment and long-term deployments into emergency response and specialist capabilities.
11. The College of Policing and National Police Chiefs Council should rewrite the Approved Professional Practice for Neighbourhood Policing to recast this as principally a crime-fighting role.
12. As a condition of receiving ‘ring-fenced’ funding for neighbourhood crime-fighting, the Home Office should hold chief constables to account for delivery. This should include the publication of data on crime-fighting activities undertaken by neighbourhood policing teams, and the publication of the contact details of neighbourhood officers and Area Commanders. The effectiveness of these policing teams should be included in every force PEEL inspection.
13. Where forces are failing to deliver consistently effective crime fighting, particularly as part of neighbourhood policing, the Home Secretary should use Section 40 of the Police Act 1996 to require the local Police and Crime Commissioner to take action including, where necessary, removing the Chief Constable.

Smarter policing

14. The most extreme ‘hotspots’ for the most serious offending, such as knife crime, should be identified and police chiefs held to account for delivering a relentless policing presence there.
15. Where reasonable grounds exist, every opportunity to lawfully stop and search individuals should be taken. Surveillance officers should be operating to identify potential suspects.
16. A £200 million crime-fighting endowment fund should be established to transform the role of technology in fighting crime. Lessons from the success of Live Facial Recognition (LFR) systems should be applied to the developments of other technologies, enabling partnerships with organisations and businesses outside of policing.

Reforming sentencing and our courts system

17. Of the funding increase for the courts system, as recommended in this report, £100 million per annum should be committed entirely to increasing the number of barristers, judges and courtrooms available for sexual offence cases.
18. The Government should introduce legislation that requires Magistrates and Crown Court Judges to sentence Adult ‘Hyper-Prolific Offenders’ to a minimum term of imprisonment of two years. For all offenders, in order that criminals are penalised to the fullest possible extent of their offending behaviour, the practice of ‘concurrent’ sentences should be abolished.
19. For Adult ‘Hyper-Prolific Offenders’ sentenced to a minimum term of imprisonment, legislation should be introduced which places obligations on the Prison and Probation Service that these offenders receive a ‘Mandatory Individual Intervention Plan’ for the duration of their time in custody (for example including mandatory drug addiction treatment, education or skills programmes).
20. The Government should amend the Nationality, Immigration and Asylum Act 2002 and the UK Borders Act 2007 to ensure that any foreign national convicted of a criminal offence should be subject to immediate deportation at the end of their sentence. For those sentenced to a community order or suspended sentence, deportation should be effective immediately on sentencing.

Introduction: Order and Prosperity

Order is the sine qua non of prosperity. It describes an environment in which the rule of law is observed and enforced, and in which criminal behaviour is punished. It creates the framework of expectations within which people can work, earn, save and build something of value without worrying that they might be arbitrarily deprived of their life, liberty and property by another.

Disorder is the opposite state of affairs. It is a condition in which the rule of law is frequently breached, in which enforcement is irregular, and in which criminal behaviour goes unpunished. This is increasingly the condition that defines life in the Britain of the twenty-first century.

Disorder is destructive of prosperity and wealth. And it is not simply the incidence of crime which matters. It is the *expectation* of crime which is so damaging to economic activity. Free markets depend on an entrenched confidence that contracts will be upheld, that property will not be stolen or wantonly damaged, and that persons will be free from the threat of violence. Without these things, economic activity, abundance and prosperity are difficult to achieve, and the behaviour of businesses and individuals will change accordingly.

This was the case advanced by Thomas Hobbes centuries ago. As he put it in 1651, in a condition of disorder, “there is no place for industry; because the fruit thereof is uncertain”.¹ Disorder kills economic activity because it makes the value that derives from it insecure. Why go out and work hard if the proceeds of that labour can be stolen from you? Why set up a shop if people can wantonly damage or deface it? That’s why we need order, underpinned by a government with the power and authority to maintain it.

Think of the high street, or the local community, or the shopping centre, or even the online marketplace. When criminal activity is rife, when the proceeds of work and industry are insecure, and when order and authority are absent, economic activity declines because people lose the confidence to trade, contract and coordinate.

Wealth and prosperity are not created by government. They are the product of millions of spontaneous actions between individuals and businesses throughout a society. But government *does* create the basic state of order upon which prosperity depends. In fact, that is the first and most important responsibility of government – the principal reason we have governments in the first place.

1. Hobbes, T. (1651), *Leviathan*.

A government, then, may come up short at different moments in all sorts of ways. But to fail in its essential duty to guarantee the security and safety of its citizens constitutes a more fundamental defectiveness – one which compromises the trust of people in government itself.

The UK today

Such a fundamental defectiveness, we argue, is evident in the UK today. The British state undertakes an unprecedented number of activities on behalf of its citizenry today. It regulates what they can watch on television and say on social media. It has growing responsibilities in providing childcare, social care, and healthcare. And its spending on all its activities adds up to around £1.2 trillion, or almost 45% of annual GDP. Government is involved in the life of the individual and society more widely to an increasing degree.

But at the same time, our government seems ever more incapable of discharging its basic responsibility to protect the law abiding, keep our streets safe, and generate the basic order which constitutes the foundation of a prosperous country.

Across the UK, businesses and families are confronted with evidence of rising crime and disorder. Tens of thousands of mobile phones are stolen by crooks on bikes without recourse - in excess of 90,000 in 2022 alone.² Criminals are looting shops with impunity. Streets are scarred by the marks and suffused with the smell of anti-social behaviour. And supermarkets are locking up everything from shampoo to steaks in order to reduce shoplifting.

Equally disheartening, the public are also confronted with evidence of a police force unwilling or incapable of responding to that criminal activity. Since 2015, the number of recorded criminal incidents that resulted in a charge has collapsed by half, from 14% to 7%.³ Simultaneously, the median number of days it takes to charge or summons an individual suspected of committing a crime has increased from 14 days in the year to March 2016 to 44 days in the year to March 2022.⁴ The police are solving fewer crimes, and they are taking longer to do so. As a result, people are now frequently declining to report criminal activity because they consider doing so to be futile.⁵

Failure in the criminal justice system is not limited to policing. The courts system is in a desperate state of disrepair. The number of outstanding cases in the Crown Court more than doubled from 32,899 in December 2018 to 73,105 in September 2024.⁶ Prolific criminals who blight the lives of communities again and again are getting away with lenient sentences that see them swiftly back on the streets and committing crime again.

And His Majesty's Prison Service is creaking too. There are already over 20,000 prisoners living in overcrowded conditions, and the demand for more prison places will grow considerably in coming years. Yet just last year, thousands of criminals were released from custody early, not necessarily because they no longer represent a threat to the community, but simply because we do not have sufficient prison capacity.

2. Evans, J. (2023), Phone reported stolen in London every six minutes, BBC News, [link](#)
3. Home Office (2024), Police recorded crime and outcomes open data tables (2015/16 to 2023/24), [link](#)
4. Home Office (2022), Crime outcomes in England and Wales 2021 to 2022, [link](#)
5. Newton, C. and Hawksbee, A. (2024), Back to Basics, Onward, [link](#)
6. Criminal court statistics quarterly: July to September 2024, published 12 December 2024, [link](#)

Those criminals who could and should be rehabilitated and reintegrated into society are being conspicuously failed as well, leaving prisoners without the skills and knowledge they need to become good citizens.

These shortcomings are filtering through to public expectations and perceptions about crime. Three in four (76%) people think crime has risen nationally, and over half (56%) believe it has risen appreciably in their local areas. YouGov data shows that the number of people who think that the police are generally doing a good job has fallen from 77% in December 2019 to 47% in October 2023.⁷ 71% of people think criminal sentences are too lenient.

Assessing the costs

This paper shows that proliferating crime and the crisis of confidence in British criminal justice are imposing a profound economic cost on our society and economy. Individuals and businesses are voting with their feet in response to the fact they think crime is increasing in our country, and that there is scant chance of it being addressed effectively by our police, courts and prisons. They are closing stores, avoiding visiting high streets, deferring investment, and generally becoming more risk averse as a consequence of these trends.

We believe the economic consequences of these developments are profound. In fact, we think that in 2022/23 expressed in the prices of that year, the tangible costs of crime in the UK were over 6% of GDP. For the UK as a whole, this amounted to some £169bn and to about £151bn for England and Wales. (The distinction between parts of the UK is relevant because the justice system is a devolved competence and statistics relating to crime are available for the separate components of the union. Accordingly, in much of what follows, we base our analysis on data for England and Wales, and then gross up the numbers for the UK.)

But this is only a partial estimate of the cost of crime because it does not include the intangible costs that result from altered behaviour because of the fear of crime. When these are included, the total cost could easily exceed 10% of GDP.

These figures are markedly higher than the figures that emerged from a 2018 Home Office study which put the cost of crime at about 3% of GDP.⁸ Updating the figures for inflation and changing caseloads, we estimate that the cost of crime today to be still about 3% of GDP - a figure of roughly £75 billion in England and Wales. But this Home Office methodology excludes about half of all crimes against business and all crimes against the public sector, while excluding entirely the costs deriving from the hard-to-measure behavioural changes that come with increased fear of crime and heightened risk aversion in society.

International experience

Things are already at a tipping point in the UK. But we know how they might get even worse. The city of San Francisco provides a stark example on how crime can lead to the degeneration of even the most prosperous

7. YouGov (2024), Are the police doing a good job? (Aug 2019 – Feb 2024), n=1627-1820 per wave, [link](#)

8. Heeks et al. (2018), The economic and social costs of crime second edition, Home Office, [link](#). Our figures are markedly higher than this Home Office paper primarily due to differences in coverage rather than changes in crime volumes.

of places. Despite being a legendary city located in an area that is home to some of the biggest companies and wealthiest individuals in the world, a combination of progressive social policies has resulted in San Francisco becoming one of the least safe cities in America.

Drug use has been virtually decriminalised, antisocial behaviour is rife, and according to *The Economist*, in 2019 San Francisco had the highest rate of property crime across the US's 20 largest cities.⁹ The result? Vacant office space in the urban centre, decreased economic activity, and companies like Tesla upping sticks and taking their investment to pastures new. The UK is at risk of becoming victim to these very same dynamics on a national scale.

But we also know the opportunity that tackling crime offers. In the 1980s under powerful leadership from the Mayor and Police Commissioner, New York turned its economic fortunes around through a targeted programme of crime reduction. In Singapore, a commitment to low crime and the maintenance of order has long been a cornerstone of its remarkable prosperity and ensures that it remains a highly attractive location for overseas investment. And in Switzerland, low levels of crime are married to a GDP per capita around twice as high as that in the UK. Order and safety are surely not the only reasons for Swiss prosperity, but we do not believe that low levels of crime and high levels of wealth are entirely unrelated either.

In this paper, we argue that a profound shift in British criminal justice policy is required. The problem with the way we currently approach the criminal justice system, and the reason why certain types of crimes and their societal costs are exploding, can be summarised in one word: permissiveness. Our police are too lax when it comes to minor crimes, the proliferation of which creates the conditions for more serious crime. Our courts are too lenient when it comes to sentencing, meaning repeat offenders are able to continue committing crime on our streets. And at a general level, we have given too much weight to the rights of offenders at the expense of the rights of the law-abiding majority.

There is a resourcing dimension to this permissiveness; public expenditure has been consistently drawn away from criminal justice and towards other departments. Hard working men and women in our police forces and prisons need more support. But it is also a deeper, cultural issue, involving our attitudes towards responsibility, fairness, and justice.

If we are to get a grip of crime and the damage it is wreaking on our society, the permissive paradigm we currently operate under must be junked, and the balance between those who break the law and those who abide by it reconfigured.

Structure

The structure of this report is as follows: firstly, Part I considers trends in the incidence of crime, while Part II analyses the performance of policing and the wider criminal justice system in England and Wales. These sections will draw on a range of data sources, including the Commercial

9. Ohanian, L. (2022), *The Simple Economics Of Why San Francisco Is Not Recovering*, Hoover Institution, [link](#); *The Economist* (2019), *Property crime rates test San Franciscans' values*, [link](#)

Victimisation Survey (CVS), the Crime Survey of England and Wales (CSEW), police recorded crime (PRC) statistics, and Ministry of Justice data, as well as some international comparative data.

Following this, Part III attempts to establish the approximate annual cost of crime in the UK, taking account of the 2018 Home office study but going further, incorporating figures for crimes against businesses, the public sector, victimless crimes, anti-social behaviour, and the cost of fear and its attendant effects on behaviour.

Finally, Part IV offers a package of policy recommendations for turning around the performance of the British criminal justice system, restoring order, and improving the prosperity of our country via a vast reduction in crime.

There is now a serious crisis of public confidence in the ability of the British state to deliver for its people. The principal driver is the government's present ineffectiveness when it comes to the absolute basics of providing safety, security and order in our society. This paper explains what this is all costing us, and how to rectify the situation.

Part I: The Incidence of Crime

The country is currently witnessing a surge in certain types of criminal activity – the sorts of crimes that are highly visible, that take place in broad daylight on our streets, and that hang like a cloud over communities up and down the land. (In what follows, we concentrate on England and Wales, rather than Great Britain or the UK, for data reasons, as explained above.)

According to Crime Survey data, in absolute terms, crime has fallen discernibly since the 1990s, thanks largely to a precipitous decrease in most offences against individuals. But when you look deeper into available data, it is clear that this survey data only tells part of the story.

In this section, we show how anti-social behaviour, theft, robbery, shoplifting and crimes against businesses are all on the rise, as well as knife-related offences.

A False Sense of Security? CSEW Data Since 1980

The previous Government made much of the fact that they had halved crime since first entering office as part of the Coalition in 2010. And they were at least partly justified in doing so. Indeed, as reported in the Crime Survey of England and Wales (CSEW), since 1995, crime has been on a decided downward trajectory. (See Chart 1.)

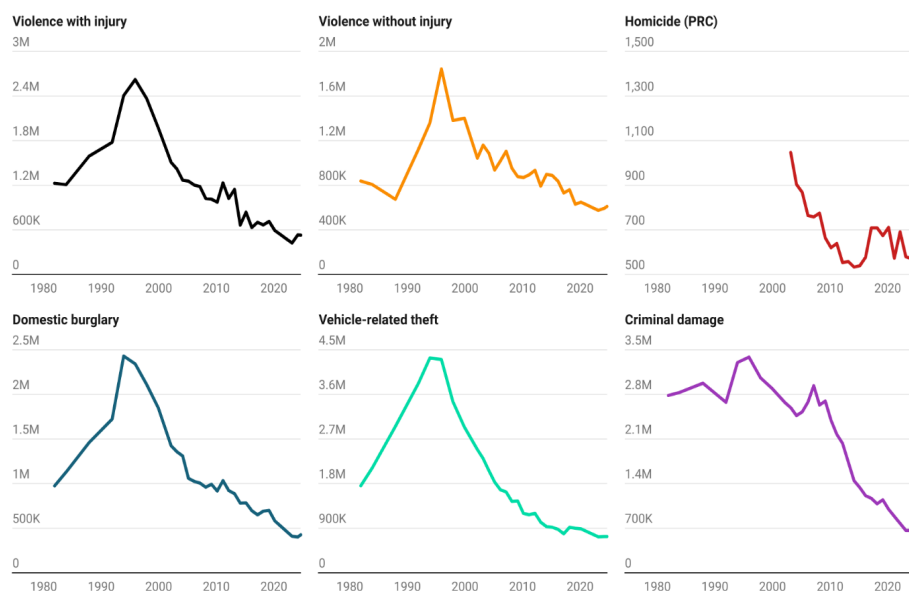
Chart 1: The number of criminal offence as estimated by the Crime Survey of England and Wales, 1981 - 2024



Source: Office for National Statistics - Crime in England and Wales: Appendix tables. These are CSEW headline figures.

CSEW data indicates that most crimes against individuals, including violent crimes like assault, fell substantially in that period, as did domestic burglary, vehicle-theft and criminal damage. (See Chart 2.)

Chart 2: Trends in various offences against individuals in England and Wales, 1981 - 2024



Source: Office for National Statistics - Crime in England and Wales: Appendix tables. Data for 2021 and 2022 has been imputed for CSEW data.

Yet the headline figures reported by the CSEW can be misleading. First and most obviously, the scale of reduction in crime is probably smaller once you factor in fraud, which was only included in the CSEW from 2016-17. This is particularly relevant in the light of recent CSEW figures which in the year to September 2024 saw 3.9 million offences¹⁰ an increase over the previous year of 19%.

But the shortcomings extend further. The headline CSEW figure notably excludes crime against businesses, crime against the public sector, sexual offences, antisocial behaviour and victimless crimes – a vast proportion of overall crime in the UK.

Most important of all, this top-level overview of crime rates obscures the explosion of certain types of crime which have significant economic implications. And it is to these that we now turn.

Shoplifting

There has been a remarkable proliferation of small-scale criminal activity against businesses, and specifically those lower-level crimes that often take place at the level of the neighbourhood – effectively, the looting of the supermarket or local shop. According to the Crime Victimization Survey (CVS), the incidence of commercial theft has more than doubled since the 2018 Home Office analysis, relating to 2015/16. The commercial crime data used here is imperfect but nevertheless indicative of broader trends shown by other sources.¹¹

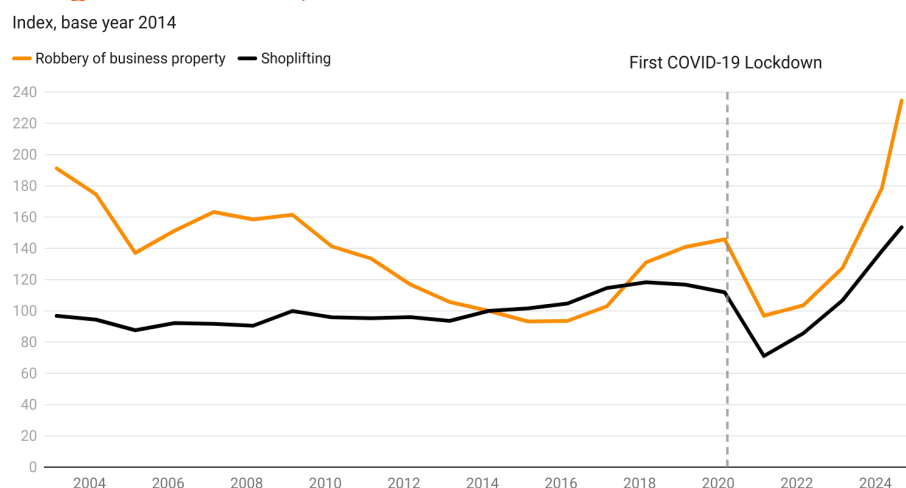
10. Office for National Statistics (2025), Crime in England and Wales: year ending September 2024, [link](#)

11. It should be noted that in both our analysis and the Home Office report, CVS data is slightly outdated because of the way it is conducted, with the majority of industry survey results used in our analysis applying to 2017-2018. Although there exist more recent editions of the CVS which estimate the number of *businesses* which have suffered from various offences, these do not measure the number of *incidents* which is required for the methodology we use. There is, of course, also the possibility of survey error in sources like CVS. This is discussed further in the methodology.

Similar findings came out of the latest release of the CSEW. This says that police recorded shoplifting has been on an upward trend and “is at its highest level since current police recording practices began”.¹² Compared to the previous year, shoplifting offences increased from some 402,000 offences to 493,000 offences, a 23% rise. These findings are broadly backed up by findings from the Commercial Victimization Survey 2023 which estimates that 26% of wholesale and retail premises experienced customer theft across the previous 12 months, compared to 20% in 2014.¹³

Additionally, the Association of Convenience Stores’ (ACS) 2024 Crime Report showed that UK local shops recorded 5.6 million shop theft incidents last year, five times the record 1.1 million incidents that were recorded in the 2023 Crime Report.¹⁴

Chart 3: Police recorded shoplifting and business robbery offences in England and Wales, 2003 - 2024



Source: Office for National Statistics - Crime in England and Wales: Appendix tables.
Created with Datawrapper

In our modelling we have used CSEW/CVS rather than Police Reported Crime (PRC) data since many crimes can be left unreported to the police. But Chart 3 shows the changes in police reported shoplifting and robbery of business property offences. Since 2014, there seems to be a similar trend for both offences.

We saw an increase in recorded offences before the first UK coronavirus lockdown, followed by a sharp drop and then a steep increase in the last few years, recently rising above pre-covid levels. While this could partially reflect changes in the reporting rates of these crimes, it is likely that this upward trend can partly be explained by a rise in offences.

Robbery and Knife-related Offences

The number of robberies (theft with actual, or threats of, violence) and knife-enabled criminal offences has increased substantially over the last decade. Knife crime has increased by 89% since 2015 and the number of robberies has increased by more than 64% over the same period.¹⁵ This

12. Office for National Statistics (2025), Crime in England and Wales: year ending September 2024, [link](#)

13. Home Office (2024), Crime against businesses: findings from the 2023 Commercial Victimization Survey, [link](#)

14. Association of Convenience Stores (2024), Crime Report 2024, [link](#)

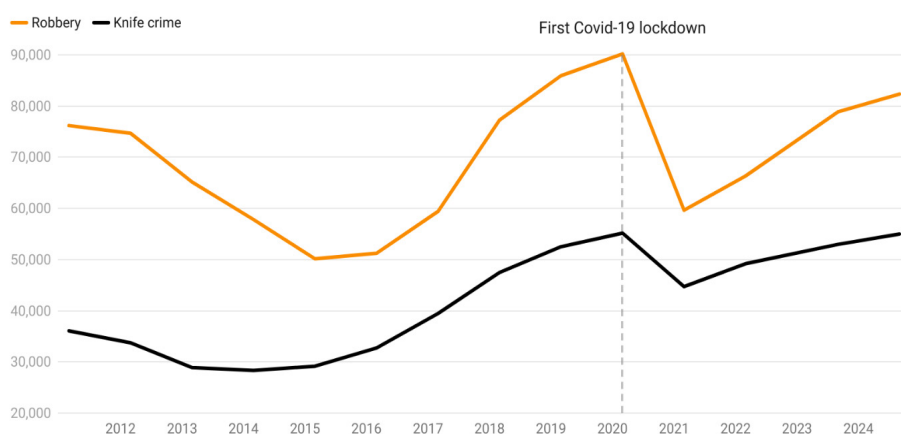
15. Office for National Statistics (2025), Crime in England and Wales: Police Force Area data tables, [link](#); Office for National Statistics (2025), Crime in England and Wales: Appendix tables, [link](#)

sort of violent criminality contributes to a lingering sense of fear amongst the law-abiding majority – fear that merely walking down the wrong street or leaving school at the wrong moment may lead to you or a loved one becoming the victim of violence.

Chart 4 shows the upward trend in both robberies and knife offences. The two frequently go together; robberies, that is theft with the threat of violence, often take place at knife point.

Our capital city is at the epicentre of this knife crime and robbery epidemic. In London 2% of 11-to-16 year olds have carried a knife.¹⁶ Last year, about twenty streets in London’s West End saw more stabbings than an entire third of the capital’s streets combined. The three police forces with the highest rates of knife crime have rates between 35% and 200% higher than the next three forces.¹⁷ And yet, despite the police knowing where these types of crimes are committed and who is committing them, their inexorable increase continues.

Chart 4: Police recorded robbery and knife crime offences in England and Wales, 2011 - 2024



Source: ONS, Crime in England and Wales: Police Force Area data tables; ONS, Crime in England and Wales: Appendix tables

Theft from the Person

Police reported levels of ‘theft from the person’, in essence an act of theft where the property is taken while being held or carried by the victim, have increased by 86% since 2014/15.¹⁸ (See Chart 5.) While levels of Police Reported Crime are subject to variation due to police reporting practices, the Crime Survey of England and Wales, which is not subject to similar variations, reports a 42% increase in ‘theft from the person’ in the last year alone.

The substantial increases in both measures of ‘theft from the person’ offences supports the contention that the country is witnessing a surge in property crime, a surge anyone living in UK towns and cities in particular will be all too aware of, as tens of thousands of mobile phones and bicycles are stolen every year. In the year to November 2024, in London theft against the person was up by a staggering 43%.¹⁹ (See Chart 6.)

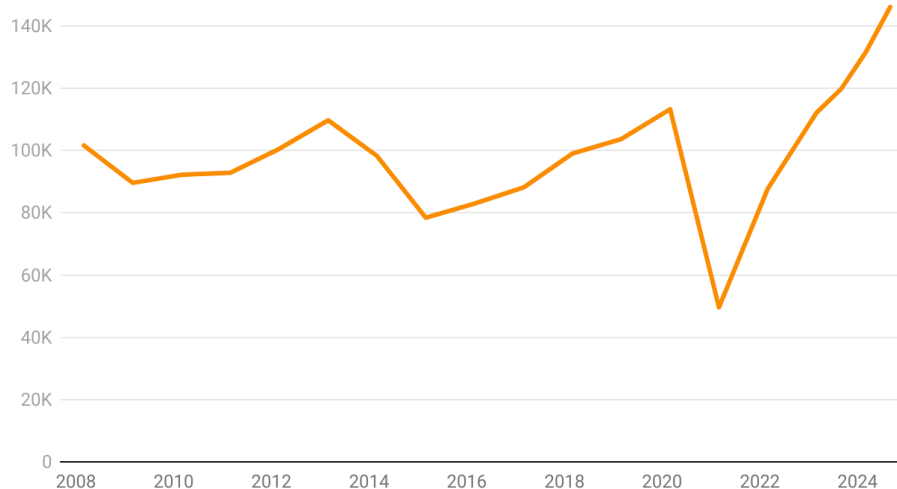
16. The Ben Kinsella Trust, Keeping Young People Safe: Dismantling belief systems through education to prevent knife carrying, May 2024, [link](#)

17. Office for National Statistics (2025), Crime in England and Wales: Police Force Area data tables, [link](#)

18. Office for National Statistics (2025), Crime in England and Wales: Appendix tables, [link](#)

19. Tableau Public (2024), MPS Crime Dashboard, [link](#)

Chart 5: Police recorded theft from the person offences in England and Wales, 2008 - 2024



Source: ONS, Crime in England and Wales: Appendix tables.

Chart 6: Theft from the person offences in London, Dec 2020 - Nov 2024



Source: Metropolitan Police Service Crime data dashboard.

And all of this comes with inevitable consequences. The immediate financial loss to the individual due to the theft of a new smartphone or bicycle are significant. But the impacts are not limited to such costs alone. Being a victim of theft might impede a victim's ability to travel or work.

These particular crimes, while not having the element of violence present in a robbery, occur at close quarters to the individual, causing victims heightened fear and anxiety. The knowledge that property is being readily stolen from specific locations affects the willingness of law-abiding people to visit those locations, with inevitable economic consequences for nearby businesses.

Antisocial Behaviour

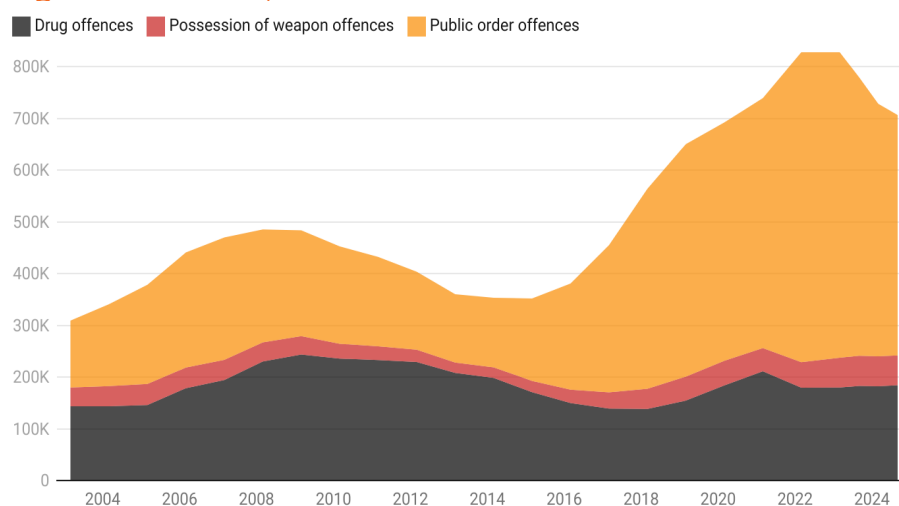
From littering and vandalism to vagrancy and drunk and disorderly behaviour, there is strong evidence that anti-social behaviour is on the rise.

Anti-Social Behaviour Orders (ASBOs) were introduced in 1998 by the Blair Government in an attempt to give definition to what was widely perceived at the time to be a growing problem on British streets. The 1998 Crime and Disorder Act gave police and local government authorities powers to clamp down on such behaviour, including providing the latter with the competency to issue fixed penalty notices.

ASBOs were scrapped in 2014 which makes monitoring changes in the incidence of these offences over the last decade difficult. However, if we consider a number of indicators of anti-social behaviour from police recorded crime data, including drug offences, possession of weapon offences and public order offences (which includes amongst other things causing “public fear, alarm or distress” and “violent disorder”), then we can discern an enormous upward trend in recorded incidents.

In particular, public order offences have grown immensely. In 2015 there were 159,000 such incidents; in 2024 this had increased almost threefold to 465,000. The peak rate occurred in 2022, with 599,000 recorded cases.²⁰ (See Chart 7.)

Chart 7: Police recorded antisocial behaviour related offences in England and Wales, 2003 - 2024



Source: ONS, Crime in England and Wales: Appendix tables. These offences are only recorded when a suspect is caught by the police; as a result these figures are somewhat a measure of police activity rather than strictly criminality.

Anti-social behaviour is an especially visible crime – the sort that people in certain communities across England and Wales have to confront on a daily basis. And the high levels of exposure to such crimes contribute to the sense that policing has retreated from our streets – something which will be discussed in the following section.

20. Office for National Statistics (2025), Crime in England and Wales: Appendix tables, [link](#)

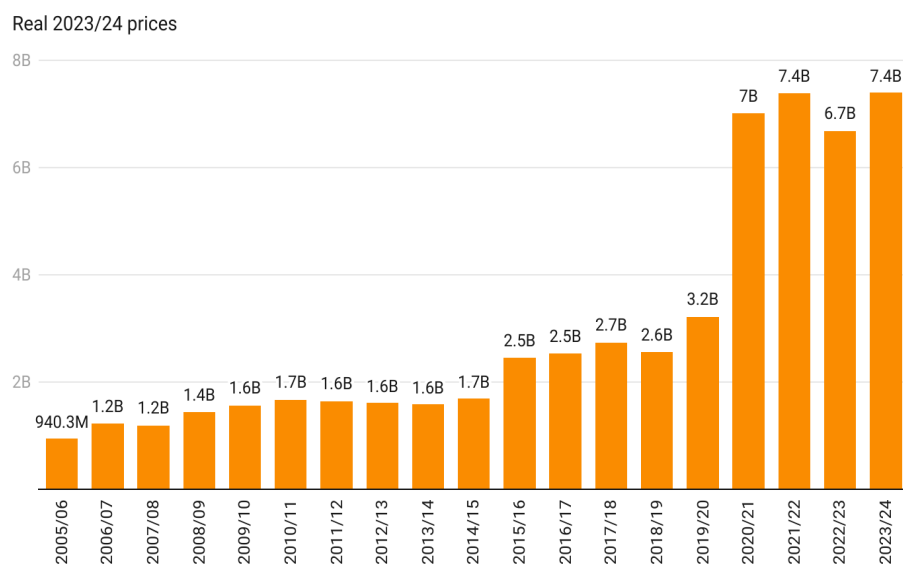
The Public Sector

While the public sector is similarly exposed to many of the same offences as the private sector, the most prevalent is fraud. The adoption of digital systems, while productivity-enhancing, has also provided increased opportunities for criminals to exploit various government departments, at a high cost to the British taxpayer.

Data on the actual incidence of public sector fraud is scarce, but many sources show that each year the cost of such offences has been on the rise.

The sheer size of the welfare system makes it a natural targets for fraudsters. Chart 8 shows how over time, the real cost of fraud within the benefit system has grown significantly.

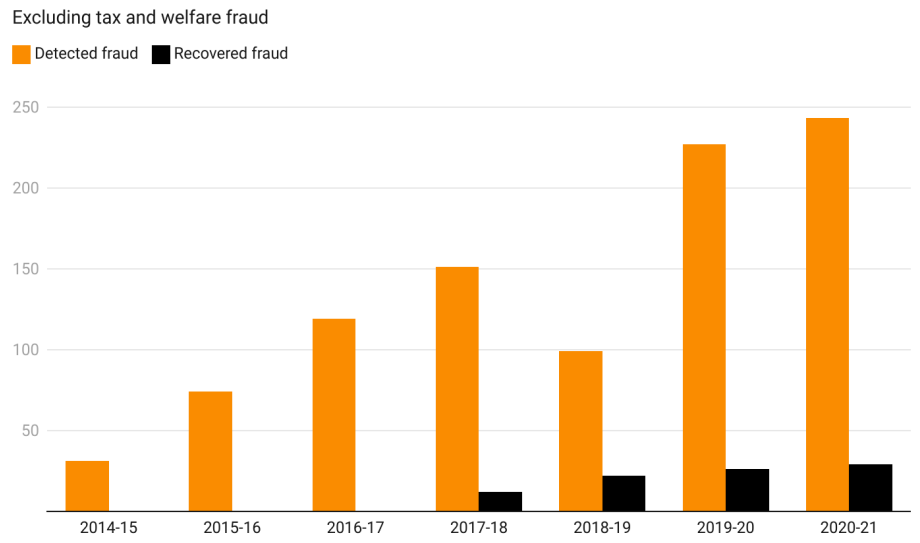
Chart 8: Estimates of fraud in Great Britain's benefit system (£), 2005/07 - 2023/24



Source: Fraud and error in the benefit system: financial year 2023 to 2024 estimates; GDP deflators at market prices, and money GDP October 2024.

Detected fraud reported by government departments and arm's-length bodies (excluding tax and welfare fraud) is also on the rise, although this is on a significantly lower scale. (See Chart 9.)

Chart 9: Detected fraud and recoveries reported by UK departments and arm's length bodies (£mn), 2014-15 - 2020-21



Source: National Audit Office analysis of PSFA data.

Part II – The Performance of the Criminal Justice System

These increases in the incidence of particular crimes have coincided with a number of deeply concerning trends in our criminal justice system. Some of these trends are the product of increases in criminal activity, but many of them, particularly those related to policing and sentencing, are in fact the causal drivers of increases in the incidence of crime.

We consider four in particular: the deterioration in policing’s crime solving ability; policing’s retreat from the streets; sentencing; and rates of reoffending.

We also consider public attitudes towards the performance of the UK criminal justice system. Public perceptions about the competency of British policing, prisons and courts are a crucial aspect of the economic impact of crime, since expectations about criminal activity and how it will be addressed by the state have a pronounced bearing on behaviour. And it is in behavioural change that many of the intangible costs of crime are to be found. (Again, data here is for England and Wales.)

Finally, we attempt to put some of these trends in international relief.

Crime Solving

The public believes that their taxes should go towards a police service that is proactive at preventing crime, that will investigate criminal activity efficiently and expeditiously, and that will bring charges against those who break the law in order that they can be brought to justice. They have good reason to be disillusioned with the present situation.

The proportion of police-recorded crimes that result in a suspect being charged or summonsed has followed a downward trend in recent years, from 15.6% in the year to March 2015 to 7.3% in the year to March 2021.²¹ (See Chart 10.) Similarly, ‘out-of-court disposals’ (meaning the way in which those who are suspected of committing criminal offences are dealt with, other than by a court, such as ‘police cautions’ and ‘cannabis warnings’) have fallen over the same period from 9.1% to 4.4%.²²

The police’s ability to solve more common crime types is woefully low, with only 3.5% of reported residential burglaries, 6.3% of reported robberies and 4.1% of reported thefts solved during the financial year 2021/22.²³ In almost half of the neighbourhoods in England and Wales, the police have solved no burglary cases in the past three years.²⁴

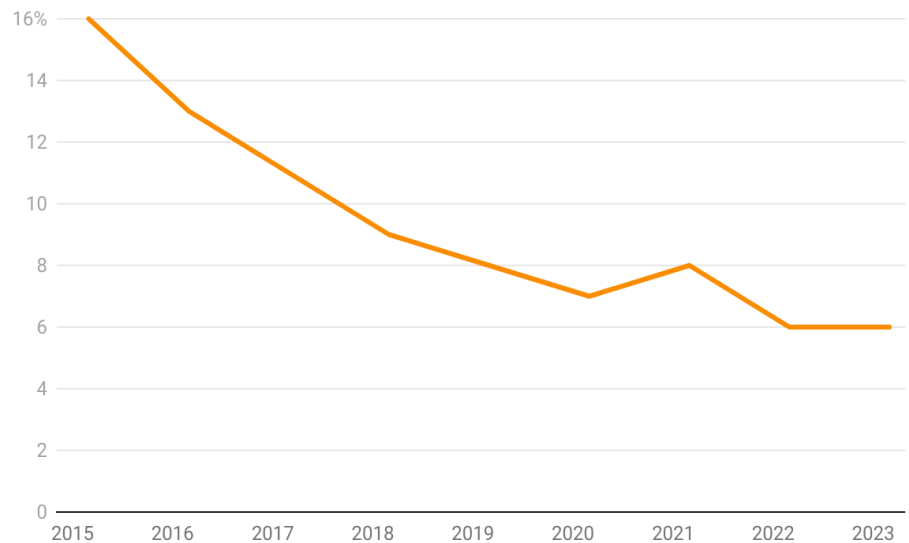
21. Home Office (2021), Crime outcomes in England and Wales 2020 to 2021, [link](#)

22. Ibid

23. Home Office (2024), Police recorded crime and outcomes in England and Wales 2021 to 2022, [link](#)

24. Hymas, C. and Butcher, B. (2024), Police solve no burglaries in half of the country, The Telegraph, [link](#)

Chart 10: Proportion of offences resulting in a charge and/or summons in England and Wales (%), 2015 - 2023



Source: Home Office - Crime outcomes in England and Wales 2022 to 2023.

One partial explanation is that it is taking far longer than previously to reach a decision to charge or summons an individual suspected of committing a crime. The longer for a case to reach a conclusion, the less likely it is to be solved. The median number of days has increased from 14 days in the year to March 2016 to 44 days in the year to March 2022.²⁵

The lengthening of delays may have several causes, including the increasing complexity of investigations, fewer investigators or prosecutors, poor process management and increasing bureaucracy. It cannot solely be accounted for by the Covid-19 pandemic. The median number of days to charge suspects had already reached 33 days by March 2020.²⁶

There may be a host of other reasons for these trends, potentially including victims being less willing to support pursuing a prosecution or increasingly stringent crime recording standards. However, there is no doubt that over the last decade the ability of the police to solve crime has fallen significantly.

The Retreat from the Streets

In his most recent annual assessment of policing, the Chief Inspector of Constabulary, Sir Andy Cooke, said:

“Between 31 March 2010 and 31 March 2017 – through the years of austerity – police officer numbers had been in decline. Forces had to make difficult choices at a time when budgets were being reduced and the nature of demand was changing. In the face of those difficult choices, neighbourhood policing was seen as something that was nice to do rather than essential. As a result, the approach to neighbourhood policing increasingly diverged between forces, although generally it diminished.”²⁷

The decline in the policing workforce is most clear when considered

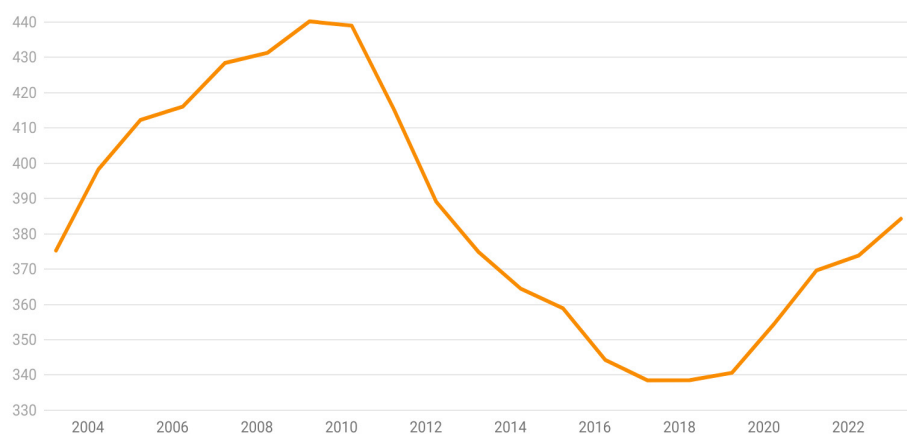
25. Home Office (2021), Crime outcomes in England and Wales 2020 to 2021, [link](#)

26. Ibid

27. His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (2024), State of Policing: Annual Assessment of Policing in England and Wales 2023, 19th July 2024, [link](#)

in relation to the UK population; as the number of people resident in the UK has increased, the number of police personnel has failed to keep pace. In 2010, the number of police staff per 100,000 has fallen by 12% between 2010 and 2023, from 439 to 384. (See Chart 11.) Most urgently, and despite the well-advertised recruitment drive since 2019, in 2023 the number of police officers per 100,000 was 242 compared with 258 in 2010, a 6% fall.

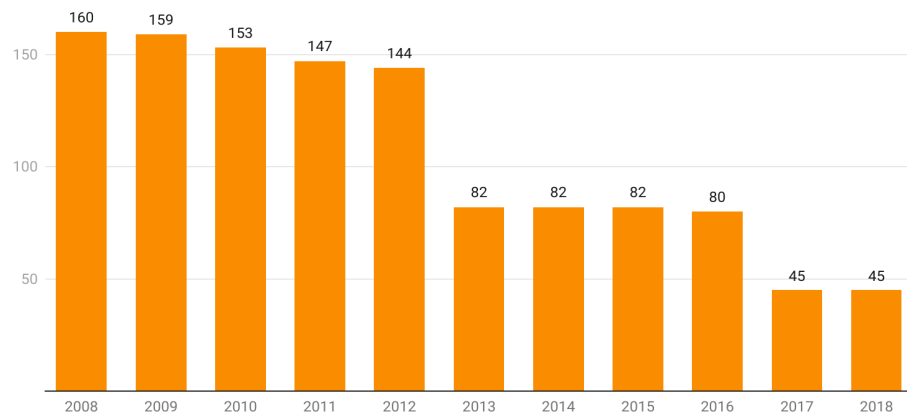
Chart 11: Police workforce per 100,000 population in England and Wales, 2003 - 2023



Source: Home Office - Police Workforce, England and Wales, as at 31 March 2024; data tables and ONS - Population estimates time series dataset.

In the nation’s capital, and following a 29% reduction in the Metropolitan Police Service’s budget, the number of operational police stations fell by 72% between 2008 and 2018, from 160 to 45. (See Chart 12.) These police station closures resulted in increased police response times to requests for assistance from the public, increases in violent crime in the areas near closed police stations, reductions in the proportion of violent crimes solved, and reductions in the number of non-violent offences reported.²⁸

Chart 12: Number of police stations in London, 2008 - 2018



And the public have noticed. The proportion of people reporting ‘high

28. E. Facchetti (2024), Police Infrastructure, Police Performance, and Crime: Evidence from Austerity Cuts, Insitute for Fiscal Studies, April 2024, [link](#)

levels of police visibility’ (meaning they have seen a police foot patrol at least once a week) in the year 2022/23 fell to 14% from a high of 29% in 2009/2010.

In relation to anti-social behaviour, which in the year to April 2023 30% of the public believed had increased, only 21% were aware of police actions to tackle the problem.²⁹ Between 1992 and 2022/23, the proportion of victims of crime who reported being ‘not satisfied’ with the police has increased from 33% to 42%.

The public’s confidence in the police is more than merely a glorified customer satisfaction rate. It is key to the police’s ability to be effective in achieving its core mission of preventing crime and maintaining order. It is also key to retaining public consent for the state’s monopoly on the use of legitimate force. There is a large body of evidence to demonstrate that people who have higher trust and confidence in the police, are more likely to come forward with information or intelligence, more likely to obey the law and more likely to defer to police authority.³⁰

The public’s view of the police therefore matters, not only because a positive view of the public agencies is a good thing in itself, but because public confidence in the police enables the latter to be more effective at its core purpose – preventing crime and disorder, and catching criminals.

Sentencing

During the pandemic, with courts closed or operating at substantially reduced capacity, the number of outstanding cases reached 60,711 by June 2021.³¹ Following a slight post-pandemic reduction to 57,946 cases by March 2022, the number of cases has now increased substantially, to 73,105 in September 2024.³² This is the highest number of outstanding Crown Court cases ever recorded.

It is also taking much longer to deal with the most serious cases (those sent to be dealt with in the Crown Court) through the courts system. In the year leading up to the Covid-19 pandemic, the number of outstanding cases in the Crown Court increased by 15.4%, from an all-time low of 32,899 in December 2018 to 37,981 in December 2019.³³

Alongside the increasing numbers of outstanding cases, the length of time cases are taking to be dealt with by the Crown Courts has increased substantially. The Better Case Management principles set out since 2016 establish that cases should take no longer than six months from receipt in the Crown Court to the start of trial (assuming that the defendant pleads not-guilty).

Before the pandemic, the number of cases which had been outstanding for over six months had increased by 53.6%, from 7,047 cases in March 2019 to 10,826 cases in March 2020.³⁴ From March 2020 until September 2023, the number of cases which were outstanding for over six months tripled to 30,895 cases, the highest ever.³⁵ (See Chart 13.)

29. Office for National Statistics (2023), Crime Survey of England and Wales, n=33,981 (March 2014) & n=29,334 (March 2023), [link](#)

30. See for example E. Stanko & B. Bradford (2009), Beyond Measuring ‘How Good a Job’ Police are Doing: The MPS Model of Confidence in Policing, Policing, Vol. 3 (4), pp. 322–330, [link](#)

31. Criminal court statistics quarterly: July to September 2024, published 12 December 2024, [link](#)

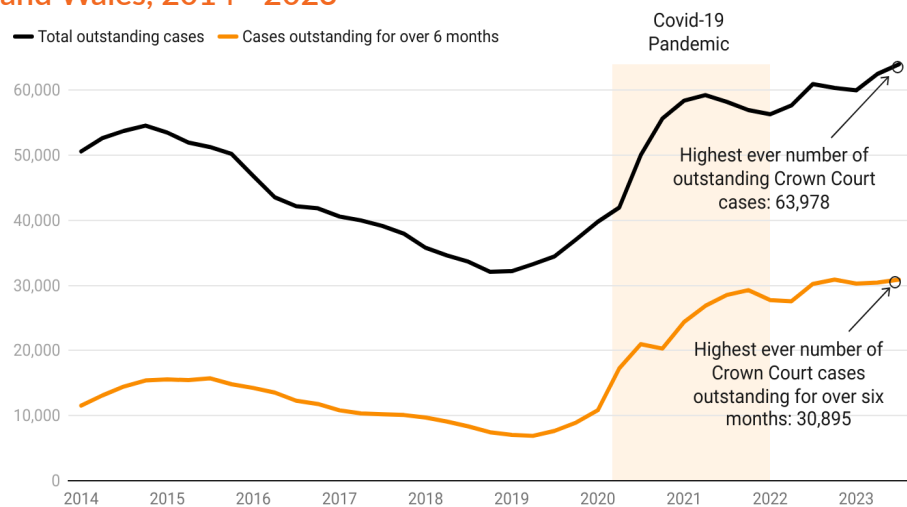
32. Ibid

33. Ministry of Justice (2023), Criminal court statistics quarterly, July to September 2023, [link](#)

34. Ibid

35. Ibid

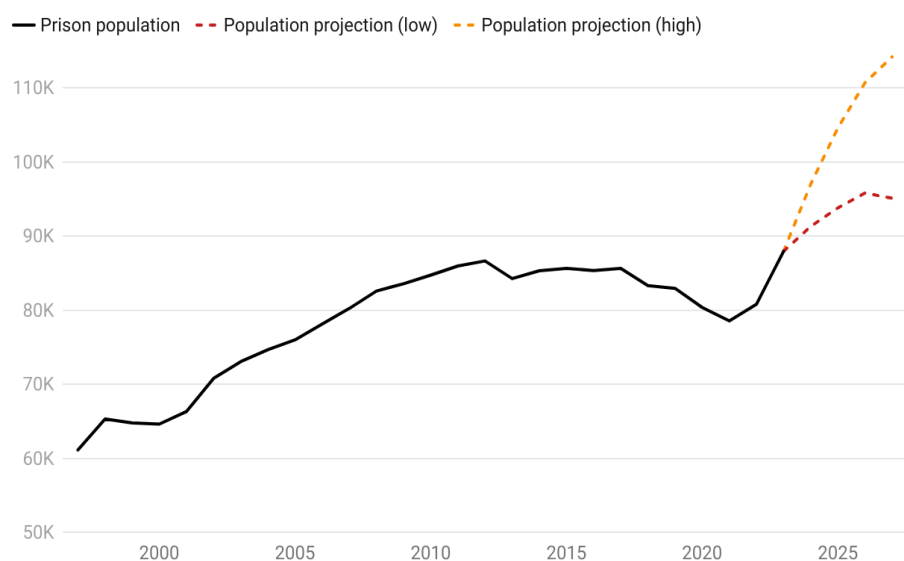
Chart 13: The number of outstanding Crown Court cases in England and Wales, 2014 - 2023



Source: Ministry of Justice, Criminal court statistics quarterly.

On conviction, about 6.5% of offenders are sentenced to a term of immediate imprisonment.³⁶ The last two decades have seen an increase in the number of individuals held in prison in England and Wales. In December 2023 the prison population was 87,216 individuals.³⁷ Between 2000 and 2010, under Labour governments, the number incarcerated increased from 61,114 to 84,725, an increase from 117 inmates to 152 per 100,000 of the population. Between 2010 and 2023, under Coalition and Conservative governments, the number incarcerated increased from 84,725 to 87,216 – a reduction from 152 to 148 inmates per 100,000 of the population.³⁸ (See Chart 14.)

Chart 14: The England & Wales prison population and projected population, 1997 - 2027



Source: Ministry of Justice - Prison Population Projections: 2023 to 2028 and Offender management statistics quarterly.

36. Ministry of Justice (2024), Criminal Justice System Statistics Quarterly England and Wales, year ending June 2024, [link](#)

37. Ministry of Justice (2023), Prison Population bulletin 29th December 2023, [link](#)

38. Ministry of Justice (2021), Offender Management statistics quarterly: January to March 2023, [link](#)

Accordingly, the public's confidence in the wider Criminal Justice System has been severely weakened. The most recent available data as part of the Crime Survey of England and Wales (conducted during 2019/20) suggests that only half of respondents believe that the Criminal Justice System as a whole is effective.³⁹

There is also a strong sense that the public believes that sentences handed down by the courts are too lenient. The decision to let thousands of prisoners out on early release in 2024 provoked widespread outrage, but public concern about the leniency of sentencing predates this particular episode.

71% of the public believes that sentences are too lenient, with 38% of respondents believing that they are much too lenient.⁴⁰ Based on recently published Justice Select Committee data, the public believes that the most important factors in sentencing should be protecting the public, followed by ensuring that the victim feels they have secured justice and punishing the offender.⁴¹

Re-offending

Finally, and despite considerable evidence on how they might be reduced, re-offending rates remain high. For offenders who had started a community order (including suspended sentences) in the most recent period for which data is available, the rate of re-offending in the 12 months following sentencing on a community order was 30.6%.⁴²

For those who had served a short sentence of less than 12 months – a notably different demographic who in many cases will have previously served community orders and suspended sentences – the rate was far higher, at 55%.⁴³ Overall, 25% of offenders were convicted of re-offending within 12 months.⁴⁴ Since 2010, the proven rate of re-offending has fluctuated between 22.7% and 30.6%.⁴⁵ Perhaps unsurprisingly, the more previous convictions a prisoner has, the more likely they are to then be re-convicted.⁴⁶

In many cases prisoners are unable to undertake the education or purposeful activity which might reduce the risk of them re-offending on release. During 2022-23, His Majesty's Inspectorate of Prisons conducted 37 inspections of prisons and young offender institutions holding adult and young adult men. Relating to 'purposeful activity', only one was reported to be 'Good'.⁴⁷ Of the remainder, 17 establishments were rated 'Not sufficiently good' and 19 were given the lowest possible rating – 'Poor'.⁴⁸

42% of prisoners report being locked in their cell for at least 22 hours a day, with this rising to 60% on weekends, both over double the proportion before the Covid-19 pandemic.⁴⁹

A Crisis of Confidence

The issue at the core of these trends in criminal justice might be summed up by a single word: permissiveness. The incidence of a range of very visible crimes – particularly but not exclusively of the lower-level variant –

39. Crime Survey of England and Wales (2021), Confidence in the criminal justice system, year ending March 2014, March 2018 and March 2020, [link](#)

40. Ibid

41. House of Commons Justice Select Committee (2023), Survey of 2,057 adults in England and Wales (24th February to 1st March 2023), [link](#)

42. Ministry of Justice (2023), Proven Reoffending Statistics Quarterly Bulletin, July to September 2021, [link](#)

43. Ibid

44. Ibid

45. Ibid

46. Ibid

47. Ibid

48. Ibid

49. Ibid

is now more common because they are treated less seriously. Individuals, households and businesses now believe that when they report a crime, the police may well not follow up. And if they do, they are not convinced that it will lead to the perpetrator or perpetrators being charged.

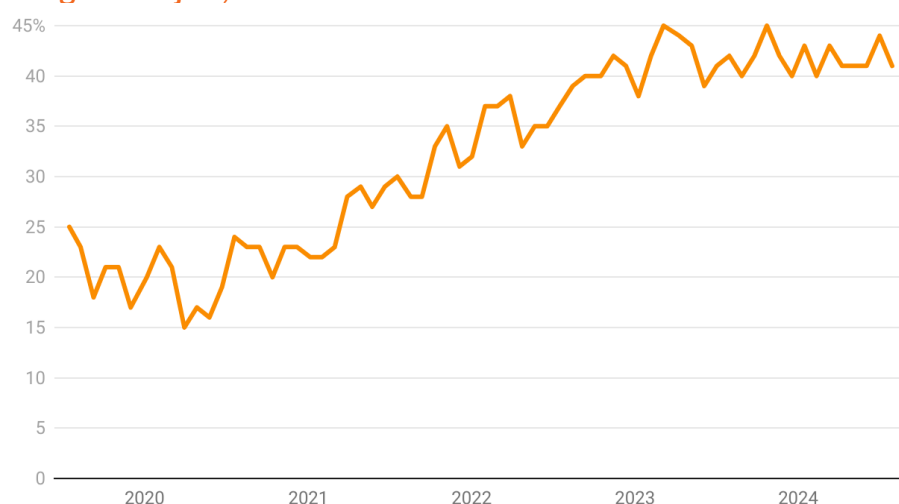
When they look at criminals going through the courts system, they see huge delays, and lenient sentences for those that have repeatedly broken the law. And to top it all off, they then observe individuals that should be in custody re-entering their communities.

In the light of all this, surely there can be no surprise that, even if the leading crime survey says that the level of crime has fallen over the last three decades, the public do not feel any more safe and secure.

A substantial majority of people believes that crime has gone up nationally ‘a little or a lot in the past few years’. In the year to 2008/9, 84% of respondents took this view, falling to 57% in the year 2014/15, before again rising to 76% in the year to 2022/23.⁵⁰ When asked about crime in their local area in the year 2008/9, 49% of people believed that crime had gone up ‘a little or a lot in the past few years’, falling to 30% in the year 2014/15, before again rising to 56% in 2022/23.⁵¹

At the same time, the proportion of people thinking that the police are doing a ‘good or excellent job in my local area’ fell from 63% in the year to March 2014 to 51% in the year to March 2023.⁵² Other polling suggests that the decline has been even more precipitous, with YouGov data showing that the number of people who think that the police are generally doing a good job has fallen from 77% in December 2019 to 47% in October 2023.⁵³ (See Chart 15.)

Chart 15: Percentage of the British public who think the police are doing a ‘bad job’, 2019 - 2024



Source: YouGov

Wealth creators themselves are increasingly voicing their concerns too. Dame Sharon White, the former chairwoman of the John Lewis Partnership, has described the increase in shoplifting as an “epidemic”.⁵⁴

50. Office for National Statistics (2023), Crime Survey of England and Wales (2023), n=33,981 (March 2014) & n=29,334 (March 2023), [link](#)

51. Ibid

52. Office for National Statistics (2023), Crime Survey of England and Wales, n=33,981 (March 2014) & n=29,334 (March 2023), Annual Supplementary Tables, [link](#)

53. YouGov (2024), Are the police doing a good job? (Aug 2019 – Feb 2024), n=1627-1820 per wave, [link](#)

54. Jones, L. (2023), Shoplifting an epidemic, says John Lewis boss, BBC News, [link](#)

Last year, Ryan McDonnell, chief executive of Lidl’s British business, argued that there was “no doubt” that increasing crime was “affecting the whole industry”.⁵⁵ James Lowman, Chief Executive of the Association of Convenience Stores, said the businesses he represents were facing an “onslaught” of retail crime, costing small stores tens of thousands of pounds.⁵⁶

The aforementioned failings in the criminal justice system mean that responsibility for combatting or mitigating crime is being passed on to individuals and businesses themselves, as the former avoid doing things they have previously done for fear of being a victim, and the latter are compelled to spend more on preventative measures. Indeed, ten retailers are stumping up some £600,000 to fund a police operation called “Project Pegasus” intended to crack down on shoplifting.⁵⁷

As we will show, all of this matters deeply for the economy. The proliferation of ‘lower level’ crime, the expectation of crime and disorder, and indeed the expectation that it will not be dealt with effectively, and the behavioural adjustments that are being made by thousands of people in this country as a result, are all damaging business activity and creating a deadweight loss to the economy.

British Criminal Justice in International Perspective

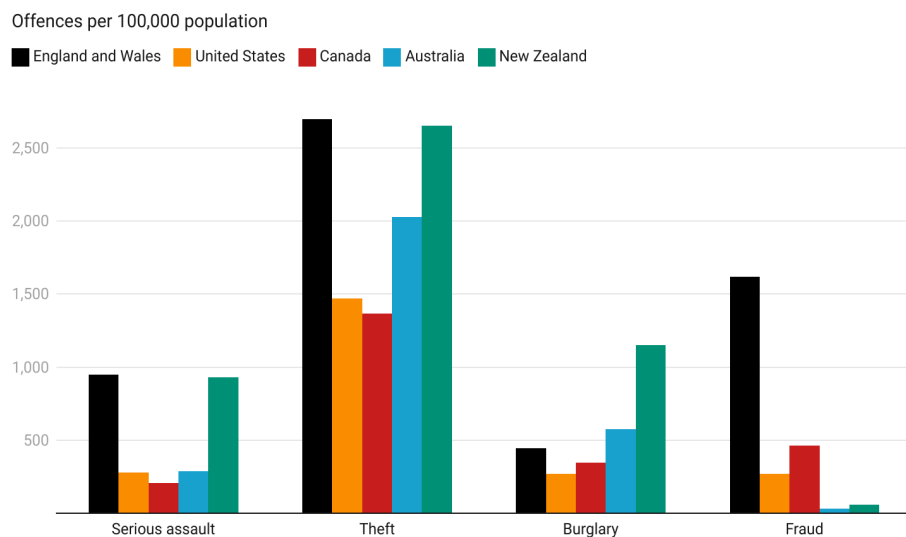
It doesn’t have to be this way. Caution ought to be exercised when making international comparisons since offence definitions vary, as do police recording practices, reporting rates, and actual crime rates. Nevertheless, as shown in Chart 16, a survey of the available data suggests that, except for burglary, recorded rates of various offences are seemingly vastly higher in England and Wales than in four other major Anglo-Saxon countries. (The low rates recorded for burglary in England and Wales may at least partly be due to the public often not reporting such incidents because they have lost faith in the police’s ability and inclination to pursue such crimes.)

55. Sethi, S. (2023), John Lewis boss Dame Sharon White says chain has been hit by £12m rise in shoplifting as she puts blame on organised crime gangs, Mail Online, [link](#)

56. Dempsey, J. (2024), Store thefts: I’ve been hit by bottles, says retailer as crime soars, BBC News, [link](#)

57. Home Office (2023), Action plan to tackle shoplifting launched, [link](#)

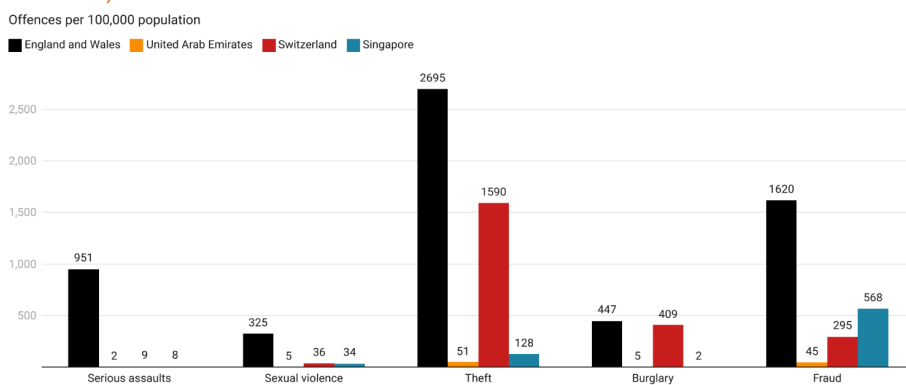
Chart 16: Police recorded crime rate in selected countries, by offence, latest data available



Source: United Nations Office on Drugs and Crime. In each case we have selected data for each country from the latest year available.

We also extend our comparison to three other countries which, although they are not at all directly comparable to Britain, often attract British people to work there and businesses to locate there, namely Singapore, Switzerland and the UAE. (See Chart 17.)

Chart 17: Police recorded crime rate in selected countries, by offence, latest data available



Source: United Nations Office on Drugs and Crime. In each case we have selected data for each country from the latest year available.

In Chart 17 we show the comparison for the same four types of crime as in the previous chart, plus sexual violence. England and Wales exhibits the highest incidence per capita, and often by a huge margin. Caution needs to be exercised in interpreting these results, not least because reporting rates may vary substantially.

Nevertheless, there are other sources which back this up the broad picture shown in the last two charts.

Table 1: Law and Order Index Score for selected countries, 2021

Index calculated using survey questions about society's sense of security and personal crime experience.

Country	Law and Order Index Score
Singapore	96
Switzerland	92
United Arab Emirates	92
Spain	89
Netherlands	88
Sweden	88
Canada	87
Japan	86
France	85
Belgium	84
Italy	83
Germany	83
United Kingdom	79

Source: Gallup Global Law and Order Report 2022

Table 1 shows some selected results from the 2022 Gallup Global Law and Order Report.⁵⁸ These results place the United Kingdom below Germany, Italy and France, and significantly below the particularly high-performing countries Singapore, Switzerland and the UAE. While this is by no means a perfect instrument for crime comparisons, our position relative to many European counterparts further supports the notion that our society has a relatively poor experience of crime.

We should be wary of comparing the UK with the top performers in the Gallup survey. Singapore is not a democracy in the western sense and the UAE isn't a democracy at all and lacks many of the freedoms which westerners take for granted. Switzerland is an uber-democracy but it is one of a kind.

Nevertheless, it is interesting to reflect on how these countries apparently achieve such high ratings for law and order, not least because the approaches followed by Singapore and the UAE on the one hand, and Switzerland on the other, are so radically different.

Singapore is well known for its low-tolerance approach, punishing certain offences including drug related crime with the death penalty. But it is not just the more serious crimes that are stringently policed; smoking in certain areas, littering, and even spitting in public are prohibited and can lead to fines.⁵⁹ Singapore's strong punishments, and its resolute adherence to its strict laws, are arguably a significant factor in deterring criminals and maintaining order.

Crucially, the public also has a strong level of trust in the Singaporean

58. Gallup (2023), Global Law and Order Report, [link](#)

59. Gov.uk (2024), Foreign travel advice Singapore, [link](#)

Police Force which allows it to effectively enforce the law. A Public Perception Survey in 2021 found that more than 95% of respondents had trust in the police, while a separate report found that 95% of respondents felt safe walking alone at night.⁶⁰

Emphasising the focus on community, there are neighbourhood police centres (NPCs) which were originally modelled on the Japanese koban.⁶¹ The introduction of NPCs has been considered a success, since they allow for a faster crime response and help to facilitate engagement between the police and residents/businesses.

There are other factors behind Singapore’s low crime rates, particularly its culture which places a strong emphasis on responsibility, honesty, and respect, virtues which are instilled from an early age within school curriculums.

The United Arab Emirates (UAE) is similarly tough on crime. A 2021 quality of life survey indicated that the level of trust in the police exceeded 98%, with over 97% feeling safe roaming outside at night.⁶² Linked with its low-tolerance approach are, of course, serious restrictions on civil liberties, many of which would simply not be accepted in Britain.⁶³ Indeed, many British expatriates and visitors to the UAE report horror stories connected with their brushes with the law.

Nevertheless, there is something to be learned from the effectiveness of the police in the UAE. Many of the UAE’s police forces have a reputation for efficiency. In fact, the Dubai Police Force achieved an average emergency response time of 2 minutes and 24 seconds in the third quarter of 2023, which is partly down to its use of technology.⁶⁴ Dubai Police have recently introduced their “drone box” initiative; after receiving a report of an emergency, a drone will be deployed from a network of bases and send information to the police in order to support its response.⁶⁵ The impact is faster, giving more appropriate responses, acting as an additional deterrent to criminals.

UAE police forces also have access to a vast network of CCTV cameras which, while raising questions about privacy, undoubtedly helps the police to solve crimes and deter criminals. Dubai Police are also using AI systems to allow for the tracking of criminals via face recognition technology.⁶⁶ Interestingly, most of Dubai’s population consists of foreigners, and deportation acts as a deterrent against many offences.⁶⁷

Strikingly, unlike Singapore and the UAE, Switzerland’s approach to deterrence is one of relative leniency, with much shorter sentences handed down to violent criminals compared to its European counterparts.⁶⁸ First-time offenders receive shorter sentences, and it is not uncommon for violent offenders to be fined rather than sent to prison. The idea underlying this is that prisons are thought to turn offenders into more serious criminals, and so sentences are avoided where possible. Despite this lenient approach to punishment, Switzerland has credentials as a safe, low crime country.

The President of the Court of Appeal in Basel City, Gabriella Matefi, has argued that the average length of a sentence is not a major factor influencing prevention. Rather, it is the certainty and celerity of facing any

60. Ministry of Home Affairs (2024), Global Community Policing Conference 2024 – Speech by Ms Sun Xueling, Minister of State, Ministry of Home Affairs and Ministry of Social and Family Development, [link](#)

61. Embassy of Japan in Singapore (2009), Opening Ceremony of the International Seminar on “The Community Policing Strategies Evolving from the Koban System of Japan and the NPC System of Singapore”, [link](#)

62. United Arab Emirates Ministry of Cabinet Affairs (2022), 98.4% trust rate in the police for law enforcement, [link](#)

63. US Department of State (2023), United Arab Emirates 2023 Human Rights Report, [link](#)

64. Gulf Today (2023), Dubai Police record 2 minutes 24 seconds average response time to emergencies in Q3, [link](#)

65. Gulf News (2024), Accident in Dubai? Drones will fly in before the police do, [link](#)

66. Gulf News (2019), How Dubai’s AI cameras helped arrest 319 suspects last year, [link](#)

67. The United Arab Emirates’ Government portal (2024), Deportation from the UAE, [link](#)

68. Swissinfo (2019), Switzerland’s leniency on criminals, explained, [link](#)

form of punishment that really matter.⁶⁹ Deterrence theory studies have suggested that the likelihood, severity and celerity of punishment all play different roles in deterring crime.⁷⁰

While there is not much data on the effectiveness of the Swiss police, public trust in the police is generally found to be high, and citizens feel safe walking alone.⁷¹

Relating this back to the UK, we fall between two stools. We are neither good at apprehending criminals quickly and bringing them to justice nor, when brought to justice and found guilty, administering significant punishments.

69. Ibid

70. Sage Journals (2022), Classical deterrence theory revisited: An empirical analysis of Police Force Areas in England and Wales, [link](#)

71. OECD (2024), OECD Survey on Drivers of Trust in Public Institutions 2024 Results - Country Notes: Switzerland, [link](#); Gallup (2023), Global Law and Order Report, [link](#)

Part III - The Costs of Crime and Disorder

The escalation of crime and disorder on our high streets and in our communities is a catastrophe in and of itself. Government's principal purpose is to ensure the safety and security of citizens. Failure to enforce the law and punish those that break it compromises the state's political legitimacy.

But the failings of our criminal justice system and those areas of acute growth in crime set out in Part I are also imposing significant economic costs upon our country.

Some of the costs of crime are obvious and easily measured: the damage to, or loss of, property, the cost of insurance, medical bills, the cost of charging and sentencing a criminal, potentially the lost income of incapacitation from a crime, and the costs involved in holding a criminal in prison.

But there are other intangible costs arising from the altered behaviour of individuals and businesses as they try to minimise the risk of becoming victims of crime. This may involve an impairment of the allocation of resources as activities are relocated, reshaped, or re-timed. In some cases it may mean the cessation of certain activities altogether.

We can see the destructive dynamics of crime on behaviour in a myriad of ways every day. The increased number of security guards at your local grocery shop and the locking away of items like meat or detergent in security boxes are the direct consequence of an increased expectation of criminal behaviour. And each pound spent on these activities or precautionary measures is a pound not spent on something economically worthwhile.

Or take the increase of vandalism in our museums and galleries. Those responsible for the management of these cultural institutions are responding to the heightened risk that some activist will throw paint over some artefact or take a knife to one of their paintings by imposing stricter security measures at the door, as the National Gallery has recently decided to do. This imposes costs on the museum or gallery, and eventually on members of the public wishing to visit, either in higher ticket prices to defray the added expense of providing that security, and/or in longer waiting times.

There is reason to believe that concerns about crime reduce footfall on high streets and town centres. It is estimated that increased criminal activity in cities is associated with urban sprawl, reduced productivity and

increased pollution.⁷² And higher crime rates are negatively correlated with house prices; a street beset with vagrancy, drug use and loud music is not the sort of place any family would ideally wish to call home. For a household which invested in an area that has since been ruined by crime, the implications for their personal finances are potentially profound.

And for certain types of crime, criminals respond to these expectations too.⁷³ If you think that the potential costs to you of robbing a shop or stealing someone's bike are lower because it is unlikely that you will be arrested and charged – and that even if you are, you probably will not face a custodial sentence – you are more incentivised to commit crime.

That is why perceptions about crime and the effectiveness of the police and wider criminal justice system remain absolutely critical: it is the anticipation of crime and disorder, rather than simply their actual incidence, that has such a chilling effect on economic activity.

Estimating the Costs of Crime

Estimating the cost of crime upon society is a complex exercise. But gaining a better sense of how crime impacts the quality of our lives, our behaviour and what we spend our money on would have significant value for policymakers and help us to think more strategically about how governments with limited resources should best respond to crime and disorder.

We should begin by acknowledging a conceptual complication. In order to give a sense of perspective, throughout this study we frequently express our estimates in both money terms and as a percentage of GDP. And we add them up to get an estimate of the total impact. But not all of the costs of crime analysed here have a direct impact on GDP.

This concern applies most notably to the “physical and emotional harm’ category which, as we will show in a moment, accounts for about 37% of the total of our estimate of the tangible costs of crime using the Home Office methodology. This is not to diminish the significance of this item. On the contrary, it is often the most important of the sorts of damage done by crime. But it does not in and of itself affect GDP.

The ‘value of property stolen/damaged’ is another tricky category. Property stolen is not lost, but rather redistributed to other parts of society, i.e. the criminals. Nevertheless, this element should be included in an estimate of total economic damage, not least because it represents the loss to the law-abiding majority and the reward for criminal activity. Without this reward, presumably criminals would be engaged in some other (socially productive) activity.

Fraud also falls into this category. In pushing up government spending and therefore average rates of tax, fraud undoubtedly does damage to the economy. But it is not an absolute loss to society but rather a redistribution within it.

Some other factors included in our estimated total costs to the economy do not reduce GDP as such because they represent activities that are included in the measurement of GDP. This applies to most defensive

72. Southwood, B. (2022), How crime worsens sprawl, [link](#)

73. Of course this does not apply to all crimes. Crimes of passion, like murder for example, are generally not affected by economic incentives, and are driven more by the desire for some psycho-emotional benefit.

activity to deter or avoid crime. But if these activities did not take place because there was no crime then there would be extra resources available for the production of other goods and services. (This echoes the points made in the mid-19th century by the French economist Bastiat about the economic status of activities undertaken to replace broken windows.)

Above and beyond conceptual issues, measurement of the costs of crime is tricky. No estimate can be expected to be completely accurate. One part of the costs, however, is reasonably firmly based, namely the costs of the system for catching criminals, bringing them to justice, administering some form of punishment and taking action to try to deter re-offending.

Even here, though, there is some room for uncertainty and dispute because not all expenditure on the agencies of the state involved with criminals and criminal behaviour is directed solely at that activity. The police, for instance, are involved with traffic accidents, missing persons and umpteen other matters which do not cross the criminal threshold. The costs associated with these other activities have to be removed from the total cost base of the various agencies involved in deterring and fighting crime to get a true measure of the costs of crime to society.

The gross costs of the various parts of the Criminal Justice system for England and Wales in 2022/23, expressed in 2022/23 prices, are laid out in Table 2. The total annual cost of the criminal justice system is just over £30bn. Grossing up this figure would give the total cost for the UK of about £34bn, or about 1.4% of GDP.

Table 2: Expenditure on the Criminal Justice System in England and Wales in 2022/23

	Expenditure (2022/23 prices, £ billion)	Crime spend	Non-crime spend
Ministry of Justice			
HM Prison and Probation Service	5.4	5.4	0.0
HM Courts and Tribunals Service	2.3	1.3	1.0
Legal Aid Agency	1.9	1.1	0.8
Policy, corporate services and associated offices	1.2	0.0	1.2
Other	0.6	0.0	0.6
Total	11.5	7.8	3.6
Home Office funded parties			
Police funding	17.1	11.9	5.1
National Crime Agency	0.8	0.8	0.0
Total	17.8	12.7	5.1
Attorney General's Office and related parties			
Attorney General's Office	0.3	0.3	0.0
Crown Prosecution Service	0.7	0.7	0.0
Serious Fraud Office	0.1	0.1	0.0
Total	1.1	1.1	0.0
Estimated grand total	30.4	21.7	8.8

Sources: Various annual reports and accounts 2022-23; Home Office - Police funding for England and Wales 2015 to 2025. Totals may not sum exactly due to rounding.

Some of these categories are directly related to crime but this does not apply to all categories. To get a reasonable total for crime-related expenditure we have to make some broadbrush assumptions.

If we assume that 30% of police resource is spent on non-crime issues, then approximately £12 billion of police funding is put towards crime-related activities and £5 billion towards non-crime issues.

We should perhaps reasonably assume that the spending of £1.2bn on “Policy, corporate services and associated offices” and “Other” (£0.6bn) is on non-crime activities (although some of it might relate to crime).

Other departments within the CJS which deal with non-crime issues include the HM Courts and Tribunals Service and the Legal Aid Agency. In 2023, there were roughly 1,400,000 Magistrates’ courts disposals and 1,000,000 Civil courts judgments.⁷⁴ All criminal cases start in a magistrates’ court while the civil courts capture a wider range of non-crime disputes.

74. Gov.uk (2024), Justice Data, [link](#)

Accordingly, we might use the ratio of these two to make a crude estimate of the relative resources put towards crime and non-crime issues by HM Courts, the Tribunals Service and the Legal Aid Agency.

Applying this ratio tells us that, of the combined expenditure of £4.2 bn on these two agencies, about £2.4 billion can be assumed to be spent on crime-related activities and just under £2 billion on non-crime activities.

Combining this £2.4bn with our estimate of £12bn for the cost of police activities related to crime, and the cost of the remaining departments shown in our table which deal solely with crime, HM Prison and Probation Service and the National Crime Agency, along with a category which deals mainly with crime, namely “the Attorney General’s office and related parties”, totalling spending of £7.2bn, suggests that the CJS spends some £21.7 billion on crime-related activities and about £8.8 billion on non-crime.

But, of course, these costs incurred by the state and paid for by the taxpayer represent only a part of the costs of crime. The larger part of the costs consists of the harm done to individuals and businesses and this is much more difficult to assess. Estimates for the number of crimes themselves are imperfect, and that is before you start thinking about estimating a unit cost for each crime.

Our approach is to start with the more tangible effects of crime, basing our analysis on a Home Office report, published in 2018, which estimated the cost of crime in England and Wales in 2015/16.⁷⁵ Our analysis uses its methodology while updating the figures to reflect more recent crime volumes and other relevant magnitudes. (A more complete explanation of the Home Office’s methodology and our adjustments is available in Appendix 1, which is available on the Policy Exchange website.)

When we come to estimate the tangible cost of crime, we incorporate an allowance for the cost of those parts of the criminal justice system that relate to crime. But the Home Office methodology that we follow as the starting point for our estimates only covers some types of crime. Accordingly, our estimates here, following the HO methodology, should incorporate only some of the crime related costs of the CJS. In practice they include £16bn of CJS costs, leaving about £6bn of the roughly £22bn total to be picked up later when we consider the cost of types of crime not covered under the HO methodology.

After we have given our updated estimate of the tangible cost of the crimes covered in the Home Office study, we then go on to estimate the tangible costs of crimes excluded from the study, before making a stab at estimating the size of the intangible effects of crime.

Crime Against the Individual

Using the Home Office methodology, we update the estimated cost based on the latest crime figures available from the Crime Survey for England and Wales. This figure is an estimate of only victim-based crimes with the greatest impact; for each of these, the volume is estimated before estimating a cost to society per offence. Based on our analysis, we value

75. Heeks et al. (2018), *The economic and social costs of crime* second edition, Home Office, [link](#)

the cost of crimes against individuals at some £57 billion in 2022/23 prices.

Putting a monetary value on the emotional suffering caused by crime is a hazardous business. And you might well think that valuing life itself is beyond the tools of economics. Nevertheless, such estimates have to be made for a variety of purposes, including difficult decisions about expensive medical treatments that might save lives. Accordingly, there are some surprisingly precise estimates of the value of a life. These are practically useful but they need to be taken with a pinch of salt.

Physical and emotional harm accounts for almost 37% of our estimated cost, given the huge pain associated with crimes such as murders and rape, and is estimated using the quality-adjusted life year (QALY) approach. Other notable cost categories include stolen/damaged property (15% of total cost), costs to the police and wider Criminal Justice System (9% and 13%, respectively), lost output resulting from time taken off work and decreased productivity (10%) and defensive expenditure (10%).

The costliest crime against individuals is, perhaps unsurprisingly, homicide. While it is the least common of our analysed crimes, each offence is valued at £3,566,000. All of this merely offers an economic angle to what every decent person in this country already knows: that murder on our streets – four out of ten of which take place with a knife – is a societal scourge which bears incredibly heavily not just on the victims' families, but on the wider communities to which they belong.

Crime Against Business

The Home Office methodology mentioned above also estimates the cost of crime to businesses, based on results from the Commercial Victimization Survey (CVS). Unfortunately, it only covers businesses in 7 of the 21 standard industrial classification sectors. (A list of sectors covered and those excluded is given in Appendix 2.) For these 7 sectors it gives us a figure for the cost of crime committed against businesses of £17bn.

So, for 2022/23, expressed in the prices of that year, using the Home Office methodology, we estimate that the total cost of crime was about £74 bn, or about 3% of GDP. This total comprises a cost of £57bn for crimes against individuals and £17bn for crimes against businesses. These estimates include an allowance of £16bn for the costs of the criminal justice system.

But we now need to broaden out from the territory covered by the Home Office study. The first issue is the limited coverage of the business sector. According to the Inter-Departmental Business Register, the 7 sectors included in the Home Office study account for around half of the number of VAT and/or PAYE registered enterprises.⁷⁶ This provides a starting point for estimating the cost of crime in the 14 sectors not covered. If we assume that the remaining 14 SIC sectors experience crime at a similar rate to the 7 that are covered (and that these crimes are roughly as costly as for the covered 7 sectors), this suggests that the actual cost of crime to businesses overall is about £34bn, double the initial estimate of £17bn,

76. Ibid

following the approach taken in the 2018 Home Office study.

According to the CVS, the most common commercial crime by far is commercial theft. While the unit-cost per offence is relatively low, the prevalence of these crimes makes them the most damaging cost to businesses, followed by commercial robberies and burglaries. (Theft is the dishonest appropriation of property by another with the intention of depriving the owner of that property; robbery is a theft (as defined above) with the addition of actual or threatened violence;

while burglary is trespassing into a building either (i) with the intention of committing a theft (or criminal damage or GBH) or (ii) actually committing a theft or GBH.)

Crime Against the Public Sector

The 2018 Home Office study does not include any estimate for crimes against the public sector. Yet we know that such crimes – especially fraud – are significant. Policy Exchange found that the upper boundary estimate for the cost of fraud from COVID-19 related government payments totalled almost £8 billion.⁷⁷

Granted, this is a one-off cost, but we know that fraud is a recurring problem, and doesn't just occur in relation to individual or temporary government schemes. In 2022-23, the Government lost roughly £10 billion to tax fraud and some £6.4 billion to benefit fraud.⁷⁸

On top of this, the Public Sector Fraud Authority (PSFA) estimates that the Government lost between £2.5 billion and £28.5 billion to other sorts of fraud plus error from unknown sources. (These figures include the fraud which is estimated to cost the NHS £1.3bn each year, enough to pay for over 40,000 nurses, or 5,000 ambulances.⁷⁹)

On this basis, and assuming the middle of the PSFA's estimate range and an even split between fraud and error, it seems reasonable to estimate the cost of crimes against the UK public sector at around £25bn. (The figure for England and Wales would come to about £22bn.⁸⁰)

Fraud, however, is not the only crime committed against the public sector. Burglary, theft and arson are also committed against the public sector and so we need to find a method of assessing the impact of these other crimes as well as fraud.

This is difficult but perhaps the best way forward is to adopt a completely different approach based on the public sector's weight in the economy as a whole.⁸¹ Public sector expenditure constitutes about 45% of GDP, with 5% accounted for by private sector activity. Above we estimated the costs of crime against private businesses at £34 billion. So, assuming rates of crime (and their cost) against the public sector are comparable to those against private businesses, the cost of crime against the public sector could reasonably be assumed to be about £28 billion for England & Wales and about £31bn for the UK.

Since a good part of public expenditure consists of transfers - the payment of benefits and pensions - rather than economic activity by state employees, you could argue that it might be sensible to adjust the

77. Walton, R., Falkner, S. and Barnard, B. (2020), Daylight Robbery, Policy Exchange, [link](#)

78. UK Parliament (2023), Fraud and corruption against government: Large gaps remain in Government's understanding of risks, [link](#)

79. NHS Lincolnshire Integrated Care Board (2025), Tackling Fraud in the NHS, [link](#)

80. House of Commons Committee of Public Accounts (2023), Tackling fraud and corruption against government, [link](#)

81. (Some of the sectors excluded from the 2018 Home office assessment appear to include an element of public sector provision. Accordingly, by assessing crimes against the public sector in addition to the excluded business sectors discussed above, there is a danger of some double-counting. However, our estimates in these categories are so broad brush and hedged about with uncertainty that we do not consider this to be a significant factor.)

45% figure down to the share of government spending in GDP excluding transfers. That is roughly 35%. Applying that percentage would give a cost of crime against the public sector that was proportionately lower. However, a good part of fraud against the public sector occurs in relation to these transfers. Accordingly, there is a powerful argument for using the measure of the public sector's size in the economy which includes transfers, as discussed above.

Victimless Crimes

Victimless crimes are by definition difficult to measure. They do turn up in reported crime data, but only when they are found or uncovered by the police. Yet we believe their costs to society are likely to be pronounced. (A full list of victimless crimes is given in Appendix 3, listed at the back of this report.)

There are plenty of victimless crimes, the most obvious of which is illegal drug usage. A government-commissioned review of drugs estimated that illegal drugs cost society around £20 billion a year in the UK, stemming from health harms, drug deaths, and wider implications of violence.⁸² Approximately £10 billion of this cost relates to drug-related crime, which is accounted for within our estimate for the cost of crime against individuals and businesses. Accordingly, to prevent double counting, we use £10 billion as an estimate for the additional costs from illegal drug usage.

In addition, in 2017, a Department of Transport report found that the economic costs of all road traffic accidents amount to £36 billion.⁸³ There were about 20% fewer road collisions in 2023⁸⁴; accounting for this and adjusting for inflation would put this cost at around £34 billion. Of course, not all of these traffic accidents would be illegal. It is estimated that about 18% of all deaths in reported 2022 road collisions involved at least one driver over the alcohol limit, so we might estimate that these accidents cost society around £5-10 billion.⁸⁵ In the interests of coming up with a conservative figure for the total costs of crime, we have factored in the lower figure.

Taking just these two cost elements of victimless crimes would give a minimum cost of about £1.5bn for the UK and £1.3 billion for England and Wales. This is likely to be a conservative estimate.

Prostitution gives rise to another major type of victimless crime. In and of itself, prostitution is not a crime; the exchange of sexual services for money is legal. But under the Sexual Offences Act 2003, many activities connected with prostitution are crimes, including soliciting for sex in public, owning or managing a brothel, advertising sexual services, and paying sex workers who are being coerced.

Prostitution is estimated to have a turnover of over £6 billion per annum in the UK, (or £5.6 billion for England and Wales). At least some of that might reasonably be considered to inflict costs on society.⁸⁶ But in the absence of reasonable evidence on the amounts, and in the interests of coming up with a conservative estimate of the costs of crime, we have

82. UK Parliament (2024), Reducing the harm from illegal drugs, [link](#)

83. Department for Transport (2017), Reported Road Casualties Great Britain: 2017 Annual Report, [link](#)

84. Gov.uk (2021), Road safety statistics: data tables, [link](#)

85. Department for Transport (2024), Reported road casualties in Great Britain involving illegal alcohol levels: 2022, [link](#)

86. Office for National Statistics (2024), 12.2 Prostitution CP NSA £m, [link](#)

chosen not to factor in a figure for these items in our estimate of the total costs of crime.

Gambling is another tricky area. About £130 billion per annum is staked in legal and regulated betting, bingo and casinos. The Betting and Gaming Council estimates that some 2% of that amount is staked annually in the illegal black market for gambling. That amounts to roughly £2.6 billion per annum. Yet this estimate only includes online stakes. If in-person black market gambling is taken into account, that figure could be around £4.3 billion, (or £3.9 billion for England and Wales).⁸⁷ Such activities are illegal but we cannot say that they inflict harms on society equal to the amount of money spent on them. Accordingly, and again in the interests of coming up with a conservative estimate of the costs of crime, we have chosen not to include figures for this activity.

On top of the activities discussed above, there are also potential costs from soliciting and aggravated begging. We would reasonably expect the costs to society from these activities to be low compared to the other major victimless crimes.

So, in total, an annual cost for victimless crimes of £15bn for the UK (£13 billion for England and Wales) is a plausible conservative estimate.

Anti-social Behaviour

The term “anti-social behaviour” covers both criminal and non-criminal activities. In 2004, anti-social behaviour was estimated to cost society £3.4 billion a year. Adjusting for inflation this amounts to about £5 billion today.⁸⁸ Anti-Social Behaviour Orders (ASBOs) were scrapped in 2014 which makes monitoring changes in the incidence of these offences over time difficult.

We do know that police recorded public order offences – which incorporate minor crimes and anti-social behaviour – increased from 158,178 in 2004 to 464,831 in 2024, a near tripling.⁸⁹ Assuming that anti-social behaviour incidents increased at that same rate, the cost today of anti-social behaviour might be around £15 billion in the UK, or £13 billion in England and Wales.

The total tangible costs of crime

In Table 3 we bring together our estimates of the total tangible costs of crime in 2022/23, expressed in 2022/23 prices. Before coming to a grand total, there is one further adjustment to make.

Our estimate for the cost of crime which uses the Home Office methodology includes an allowance of about £16bn for expenditure on the Criminal Justice System. However, it only looks at a limited number of crime types and therefore the methodology does not pick up all crime-related expenditure on the Criminal Justice System. And in our estimates for the cost of crime not covered in this methodology we make no allowance for such expenditure.

As shown in Table 2, we estimated that the Criminal Justice System spends just under £22 billion in total on crime-related activities.

87. Frontier Economics (2024), The size and economic costs of black market gambling in Great Britain, [link](#)

88. Home Affairs Select Committee (2005), Home Affairs - Fifth Report, [link](#)

89. Office for National Statistics (2025), Crime in England and Wales: year ending September 2024, [link](#)

Accordingly, with only £16bn allowed for this item in our estimate based on home office methodology, we need to add an additional £6 billion to our figures for the total cost of crime.

Table 3: The estimates tangible costs of crime in 2022/23, £bn expressed in 2022/23 prices

Type of crime	England and Wales	UK
Crimes against the individual (as per the HO methodology)	57	63
Crimes against businesses (as per the HO methodology, grossed up)	34	38
Crimes against the public sector	28	31
Victimless crimes	13	15
Anti-social behaviour	13	15
Additional CJS expenditure	6	7
Total	151	169

Source: Policy Exchange Analysis.

Table 3 shows a grand total for the tangible costs of crime in the UK of about £169bn, or £151bn for England and Wales. This amounts to about 6.5% of GDP.⁹⁰

But even then, we believe that the overall cost of crime is much higher, once the intangible costs related to behavioural changes resulting from heightened fear and insecurity are factored in. It is to this that we now turn.

Behavioural effects - The Costs of Fear and Avoidance

There are many behavioural and societal effects that result from crime which are less obvious, and far harder to measure than the tangible ones we have attempted to cost so far.

Think of the many ways in which crime might affect somebody’s decisions about where to live, and related house price implications. Or somebody deciding they don’t feel comfortable walking through a less trusted part of the neighbourhood, and so deciding to use a taxi. Or a parent feeling unable to allow their child to go to the local park with their friends because of rumours of drug dealings. Or a business deciding not to operate in a particular city or region – or even deciding not to operate in the UK at all.

And this chilling impact of fear upon behaviour is not restricted to the victims of a particular crime. It spreads throughout a population like cancer, affecting the decision-making of a far greater circle of individuals and indeed businesses. There is a deadweight loss from the increased risk aversion that must occur in a society with lower levels of trust.

There are no easy ways to estimate the costs of the effects of crime on behaviour, and scholarly opinion is divided about how best to come to

90. We have used ONS’ GDP figures for the period 2022/23.

a reasonable number. Indeed, in the Home Office paper which we have used as a base in this study, the effects of crime upon non-victims, and “the cost of behavioral change as a result of the fear of crime”, were explicitly excluded from the methodology.⁹¹ A 2000 Home Office paper estimating the cost of crime also explicitly excluded efforts to appraise the cost of such behavioural change because of the methodological difficulties of doing so. The academic literature points to a lack of consensus too.⁹²

With these caveats stated, we can make some general comments about the potential scale of these intangible costs deriving from the fear of crime. Some papers have proposed to calculate the potential intangible cost deriving from the fear of crime via quality-adjusted life years, or the QALY method, which is widely used to inform economic analysis of health interventions.

In 2007, Paul Dolan and Tessa Peasgood applied such a method to crime, calculating the health loss from fear of crime at different intensities, and then converting this into a cash value. From here, they calculated an average annual per capita monetary loss of £52.65.⁹³ When adjusted for inflation and multiplied by the population, this would indicate a current cost of £5-6 billion for England and Wales and £6-7bn for the UK.

But there is good reason to think this is a substantial underestimate. As the Home Office pointed out in its 2018 paper, Dolan and Peasgood’s figures depend on assumptions which might be challenged.⁹⁴ For example, the QALY method relies upon respondents self-assessing their fearfulness in response to criminal incidents and categorising their response as either being “not very fearful”, “a little bit fearful”, “quite fearful”, or “very fearful”.

For these latter categories, this is presumed only to equate to feeling “moderately anxious for two hours”, or “two hours of being extremely anxious, followed by one hour of being moderately anxious” respectively.⁹⁵ But this seems an extremely low value. The fear that one might have after being robbed at knife point is likely to be far more enduring, and fear of confronting anti-social behaviour as an older or more vulnerable person in a particular community might be effectively constant.

Different research implies that the economic cost deriving from the fear of crime is vastly higher. In 2017, a report by the US Government Accountability Office on the costs of crime stated:

Research indicates that to best understand the cost of crime, estimates should consider both the financial and non-monetary effects of crime— such as the impact on quality of life, increasing fear in a community, or the indirect effects such as people’s change in behavior in response to crime. Some researchers have concluded that crime’s most costly factors stem from these less tangible effects.⁹⁶

The Report cited as examples of such intangible effects : avoidance behaviour, overdeterrence costs, second generation costs, and socialised psychological effects to non-victims (the wider community, for example). (See Chart 18.)

91. Heeks et al. (2018), *The economic and social costs of crime* second edition, p68-69, Home Office, [link](#)

92. Czabanski, J. (2008), *Estimates of Cost of Crime: History, Methodologies, and Implications*, [link](#)

93. Dolan, P. and Peasgood, T. (2006), *ESTIMATING THE ECONOMIC AND SOCIAL COSTS OF THE FEAR OF CRIME*, [link](#)

































94. Ibid









95. Ibid

96. GAO (2017), *COSTS OF CRIME: Experts Report Challenges Estimating Costs and Suggest Improvements to Better Inform Policy Decisions*, [link](#)

Chart 18: Government Accountability Office Analysis of the Cost of Crime in the US, 2017

Figure: Examples of Costs of Crime and Elements to Categorize Costs

	Costs in anticipation of crime	Costs as a direct consequence of crime	Costs in response to crime
Tangible	Expenditures to reduce likelihood of victimization (e.g., purchasing security systems) 	Lost wages and productivity because of victimization   	Criminal justice costs like police investigations and incarceration   
	Government crime prevention programs  	Cost to recover or repair property  	Cost to defend accused offenders in court   
Intangible	Avoidance behavior (e.g., avoiding people and places)   	Pain, suffering, lost quality of life because of victimization   	Psychological cost to offender's family and community   
	Fear of crime   	Second generation costs (e.g., increased likelihood of some victims becoming offenders)   	Overdeterrence costs (e.g., accusing innocent individuals, restricting legitimate activity in a community)   

 Victim
  Potential victim
  Victim's family
  Society
  Offender
  Offender's family
  Business/employer
  Innocent individual

Source: GAO analysis of select cost of crime research. | GAO-17-732

It went on to reference research from 1996 which contended that the cost of the intangible effects of the crime of arson represented around 75% of the overall cost – or three times the tangible effects.⁹⁷

On this basis, if the same proportions of tangible and intangible costs applied to all crime in the UK, then the total cost of crime here would be over 25% of GDP. This is almost certainly at or beyond the upper end of estimates of the possible costs of crime. But it does point to the possible scale of these intangible costs.

Another report in 2014 using a “willingness to pay” methodology – that is, how much individuals would be prepared to pay to reduce the risk of becoming a victim of crime – contended that the “ex ante” cost of crime on society is 80 times the direct costs imposed on the individual victim.⁹⁸

Of course, these ex ante costs would certainly vary considerably from crime to crime. A knife attack on a residential road might have profound behavioural effects on a local area in a way that shoplifting might not. Most crimes surely would not have such high indirect costs.

But then again, it would be difficult to quantify the amplified behavioural effects that certain crimes might have within particular networks or communities. A spate of business crimes on a few high-street shops might have a chilling effect on the behaviour of all shops in a given location, as businesses looked to minimise losses in the context of higher crime.

Other studies that have used a willingness to pay methodology have also suggested that the non-direct costs of crimes probably increase the

97. Miller, T R., Cohen, M A. and Wiersema, B. (1996), Victim Costs and Consequences: A New Look, [link](#)

98. Cornaglia, F., Feldman, N E. and Leigh, A. (2014), Crime and Mental Wellbeing, [link](#)

total costs substantially. In 2004, Cohen et al found that willingness to pay estimates were between 1.5 and 10 times higher than estimates which didn't consider collateral, social costs.⁹⁹

Moreover, there is inevitably a cumulative, compounding cost from individual crime that these above methodologies cannot properly account for. For example, an individual act of antisocial behaviour or public disorder might not in and of itself generate high costs. But if numerous such acts collectively produce an environment which is disorderly – in which people feel unsafe, into which people do not wish to move, and in which more serious crimes are able to proliferate – the cumulative costs will be greater than the sum of those deriving from individual crimes. Indeed, that is precisely the premise of the broken windows theory.

There is also an international aspect to the consequences of crime for human behaviour. Given the choice, people do not want to live in places that are unsafe and this has consequences for businesses' ability to attract and retain internationally mobile staff.

Many such people in the UK regularly report that whatever else they might feel positively or negatively about life in the Gulf, Singapore or Switzerland, they strongly approve of these countries' low crime rates. And they regularly emphasise how important it is to be able to live a good family life in these places, largely free of the fear of crime. (See the discussion in Part II of the incidence of crime in these and other countries.)

It is not clear whether this factor is taken account of in the American study of the effects of arson referred to above. In any case, in a large continental economy like the United States, such effects are likely to take the form of people and businesses relocating to other places within the US. Accordingly, the effects on the US economy as a whole may be relatively small.

By contrast, London's high crime rates will probably act as a deterrent to people and businesses locating themselves in the UK at all and, for people and businesses that have already located here, they act as a deterrent to staying here.

To sum up, although this is a plausible number, it seems unlikely that the costs of crime (including the intangible costs deriving from behavioural change) add up to a quarter of GDP. But equally, it seems inevitable that the intangible costs are a highly significant factor and probably amount to more than the direct costs of crime, perhaps even substantially more.

We have estimated the tangible costs of crime to amount to be about 6.5% of GDP. Of this total, about 1% reflects physical and emotional harm to individuals and another 1% covers the effects of so-called victimless crimes. These harms are undoubtedly significant for human welfare but you could argue that they do not have the same standing in regard to the effects on the economy as theft and damage. Yet, even if they are taken out of the total, the tangible costs still amount to about 5% of GDP. About 40% of these tangible costs fall directly on businesses and the public sector.

But this is without taking account of the intangible effects from changes to behaviour, the bulk of which have a direct bearing on businesses and

99. DeLisi, M. (2016), Measuring the Cost of Crime, [link](#); in Huebner, B M. and Bynum, T S. (2016), The Handbook of Measurement Issues in Criminology and Criminal Justice, [link](#)

economic activity. Once behavioural effects are factored in, it is plausible that the total costs of crime to society are in excess of 10% of GDP, perhaps even substantially in excess.

International Comparisons

We have already established that making international comparison of crime rates is fraught with difficulty. These difficulties are bound to extend, a fortiori, to making estimates of the costs of crime. Nevertheless, it would be worthwhile looking at how our estimates of the costs of crime in the UK compare with the findings for other countries. If nothing else, this will serve as a sense check on our estimates for the UK.

A 2021 report valued the costs of personal and property crime in the US at about 13% of GDP.¹⁰⁰ The direct, out-of-pocket expenditures represent around 3% of GDP, costing almost \$2,000 per capita. While employing a similar unit-cost based methodology to the Home Office paper, it accounts for some additional crime types (namely weapons violations, drunk driving and public order offences).

This paper accounts for crimes against individuals, victimless crimes (such as drug abuse violations) and offences related to anti-social behaviour (e.g. public drunkenness, disorderly conduct and vagrancy), as well as the spending by the Criminal Justice System. It does not account for the costs incurred because of the fear of crime and the resulting behavioural changes. Unlike our estimate, it also does not account for commercial crimes or crimes against the public sector.

In Canada, crime is estimated to cost over 5% of GDP.¹⁰¹ The categories that it shares with our estimate include crimes against individuals and businesses and spending by the CJS. Unlike our estimate, it does not include crimes against the public sector or victimless crimes, nor anti-social behaviour. This paper attempts to account for the behavioural changes resulting from the fear of crime by valuing the time that adults spend locking up valuables but notes that this methodology clearly underestimates the cost of fear massively.

In Australia, using the same categories of costs as the Home Office report (anticipatory, consequential and responsive), crime is estimated to cost around 5% of GDP.¹⁰² Like our study, it accounts for crimes against individuals and businesses, victimless crimes and CJS spend. Unlike us, though, it does not account for anti-social behaviour or crimes against the public sector, and estimates the behavioural change from fear using the same process as the Canadian study. The costliest crime in this study was deemed to be fraud (31% of the total cost), followed by violent offences (14%) and burglary (13%).

In New Zealand, the cost of crime has been estimated at 6.5% of GDP using a similar unit-cost approach.¹⁰³ This study covers all of the same crimes as our study, including crimes against the individual, businesses and the public sector, victimless crimes and anti-social behaviour, as well as CJS spending. But it does not estimate the cost of the fear of crime and the behavioural changes caused by it. This estimate for New Zealand is

100. Vanderbilt University (2021), New research examines the cost of crime in the U.S., estimated to be \$2.6 trillion in a single year, [link](#)

101. Easton, S., Furness, H. and Brantingham, P. (2014), The Cost of Crime in Canada, Fraser Institute, [link](#)

102. Patricia, M. (2003), Counting the costs of crime in Australia, Australian Institute of Criminology, [link](#)

103. Roper, T. and Thompson, A. (2006), Estimating the costs of crime in New Zealand in 2003/04, [link](#)

pretty much bang in line with our estimate for the tangible costs of crime in the UK.

Methodologically, many of these papers cover similar crimes and cost categories to our study while facing the same limitations. For example, putting a value on the intangible costs such as the fear of crime and the dynamic, indirect effects of crime (e.g. reduced investment in high-crime areas) has clearly proved difficult in each case, with a highly imperfect methodology used by the Canadian and Australian studies.

With the exception of the US which, in the quoted study, comes up with an estimate of the tangible costs of crime roughly double our estimate for the UK, these studies come up with results in the same ballpark as our estimates for the UK. This gives some extra plausibility to our estimates.

Part IV – Policy Recommendations

Our permissive approach to criminal justice is the principal reason why the costs of crime in the UK are so high. We believe it is right and proper to pursue a low crime society in and of itself. But there is also a strong, economic rationale for a radical change in how we tackle crime.

A less permissive approach would increase the sense of security and safety among the British public. This would reduce the costs of crime, both in its actual incidence and the expectation or fear of crime, which has such an effect on the behaviour of individuals and businesses, thereby promoting economic activity. A less permissive approach to crime is an “investment” of both political capital and hard cash. But we believe it to be an investment that will earn a considerable return.

In devising an effective strategy for minimising the costs of crime, we must recognise that it is often economic considerations that drive crime. In other words, although this is not true for all crimes, for a certain set of crimes, the perpetrators are rational, utility-maximising actors who respond to the incentives. Deterring crime requires raising the costs of committing crime for potential offenders. We need a clear view on how to do this effectively.

But an effective strategy for reducing the costs of crime also requires an understanding of which crimes are *not* motivated by cost-benefit calculations, and which therefore require a different response. For crimes such as murder, it is usually not economic gain that is sought by the perpetrator, but psycho-emotional benefits. Deterring such criminal activity thus requires a different framework to that which might be appropriate for combatting crimes committed for financial gain.

To secure a lower crime society, we propose policies to deliver on five broad agendas:

1. More funding, more accountability.
2. A dramatic expansion of the prison estate.
3. Taking back the streets.
4. Smarter policing.
5. Reforming sentencing and our courts system.

These agendas are interconnected. A less permissive approach to policing on our streets will require more police officers on the frontline. It will also require a less lenient sentencing regime, which will lead to

more demand for prison places. Expanding the prison estate to meet this demand, as well as delivering more police officers and repairing the courts system, will require a boost in public investment. Ensuring that investment is well made will require greater accountability within the criminal justice system.

More Funding, More Accountability

After recent tax increases, there is surely little scope for an increase in the tax burden placed on individuals or businesses. Moreover, given the state of the public finances, there is no room for increased borrowing. Spending more money in the fight against crime and disorder will therefore be at the expense of other activities currently undertaken by the state. It will also require that scarce resources already allocated to the criminal justice system are used more efficiently, and with a greater sense of strategic prioritisation.

Now is the time for a significant increase in the funding of the criminal justice system. Simultaneously, this should come with a substantial improvement in how senior leaders within the criminal justice system are held accountable for performance.

A detailed set of fiscal policies is beyond the scope of this paper. But as a general fiscal principle, the government should adopt a strategy which seeks to improve investment in its core competencies by reducing funding in other areas.

We recognise that given the global threats faced by the United Kingdom, there are also other priorities – not least the defence of the Realm. Nevertheless, given these vitally important competing demands, we believe that the investment we propose strikes the right balance and still enables the Government to invest in vital defence spending.

Moreover, spending on the criminal justice system is itself partly a form of defence spending. The external threat to the United Kingdom is no longer purely from conventional warfare. It is hybrid and includes the sponsorship of terrorism, cyber warfare, attacks on critical infrastructure, and campaigns to widen divisions in our society – all activities which undermine the public's confidence in the nation's security at home. Maintaining a strong criminal justice system is fundamental to British interests and to countering the threats to the nation which originate both at home and abroad.

To enable the investment in the criminal justice system that we propose alongside those necessary to strengthen our nation's defence capabilities, savings should be secured from a reduction in the number of welfare claimants (particularly by getting more economically inactive people into work), alongside reductions in the regulatory apparatus and in managerial positions in government departments, as set out in other Policy Exchange publications. The last government achieved £12 billion in savings between 2015 and 2019. It is estimated that a further £20 billion in annual savings could be realised in this parliament through increased efficiency and digitisation.¹⁰⁴

104. Institute for Fiscal Studies (2024), "The Conservative Manifesto: An Initial Response", [link](#)

Admittedly, simply saying that efficiency savings can be made across the public sector does not itself imply that such savings should be deployed to finance increased spending on preventing crime. There is, after all, an opportunity cost. But this is an area of public expenditure where spending a comparatively small amount more can bring a good return.

Over the next decade we propose that £5 billion of those annual efficiency savings should be redirected to four criminal justice priorities. First, roughly £2.4 billion a year on prison capacity for over 40,000 additional prison places and to eliminate prison overcrowding. Of this, £840 million would be needed for capital costs and £1.5 billion for resource expenditure.¹⁰⁵ Second, £1.9 billion on recruiting 20,000 more police officers and staff.¹⁰⁶ Third, £200 million on technological solutions to fight crime and disorder.¹⁰⁷ Fourth, a £500 million per annum uplift for the HM courts budget.¹⁰⁸ These figures are in addition to spending commitments already made by the new Labour Government. Each of these priority areas is covered in more detail below.

Investing an extra £5 billion a year in the criminal justice system

£5bn amounts to less than 0.5% of Government spending. Further, £5bn amounts to about 3% of our estimated tangible costs of crime and perhaps less than 2% of the total costs of crime. Accordingly, if the volume of each of our analysed crimes fell by just 3%, and perhaps even by less than 2%, we would cover this £5bn investment. Any additional fall in the crime rate would then give a “return” on investment.

Of course, not all of this cost would be recouped in an economic sense. Some of the cost is social (i.e. physical and emotional). But these costs are no less important in regard to citizens’ welfare.

Recommendation: The Government should invest an additional £5 billion annually over the next decade in the criminal justice system. This should include £2.3 billion for prisons, £1.9 billion on additional police officers and staff, £200 million on technology research and investment to fight crime and £500 million on the criminal courts.

More accountability

£5 billion in additional annual funding for our criminal justice system is, compared to government expenditure as a whole, a small sum of money – around 0.4% of total managed expenditure. But increased funding alone will not improve the performance of the criminal justice system. Increased resourcing must be supplemented by improved accountability and a culture shift, if there is to be a meaningful impact on crime.

This must start at the very top. It is the role of a democratically elected government to set out the mission of the criminal justice system and its component parts. This cannot be left to the officials who run the system. One of the Labour Government’s “five missions to rebuild Britain” is to “Take back our streets by halving serious violent crime and raising confidence in the police and criminal justice system to its highest levels”.¹⁰⁹

105. Estimates are based on actual construction costs of recent prison building programme – including construction of HMP Five Wells, HMP Berwyn and HMP Fosse Way – construction costs are estimated at £168k per additional prison place. Ongoing running costs are based on current per prisoner running costs per annum according to published HMPPS and MoJ data.

106. Estimates are based on previous Police Uplift Programme data as published by the Home Office and National Audit Office

107. Estimates are based on previously established Endowment Funds including the Youth Endowment Fund and National Endowment for Science, Technology and the Arts

108. Estimates are based on a ~30% uplift in existing budgets for His Majesty’s Courts and Tribunal Service

109. Labour Party (2024), Labour Party Manifesto 2024, [link](#)

That tackling crime and fixing the criminal justice system is one of the Government's core missions is to be welcomed. Similarly, the ambition to halve serious violent crime. However, the Government should go further in explicitly rejecting the permissive approach to crime that successive governments have allowed to develop. The Government must make clear that their overwhelming priority for the criminal justice system is to protect the public by catching and incapacitating criminals, maintaining order and preventing crime. Everything else must be subsidiary to that.

We also need to entrench greater accountability among civil servants in the criminal justice system. Across it, there are undoubtedly large numbers of individuals who work hard, demonstrate remarkable courage and deliver to the highest standards for the public. For too long, however, there has been a culture of impunity for failure, a lack of strategic prioritisation, a degree of mission creep, and a corresponding decline in the ability of the police, prisons and probation services to discharge their core duties effectively.

If we are to take back control of our streets and communities, a reform in approach is necessary. Alongside clarity of mission must be the right incentives and means of accountability to ensure that those within the system who deliver to the strongest levels of performance are rewarded, while those who fail to do so are appropriately penalised.

The quality of personnel in our criminal justice system matters. And the current leadership in both His Majesty's Prison and Probation Service and the Ministry of Justice in particular is simply not up to the task of the scale of transformation required of the institutions. They have overseen a culture of micro-management and bureaucratic expansion which has done little to improve the condition of prisons or the safety of the public.

As outlined in the Policy Exchange paper 'The Wicked and The Redeemable' (2023), this can be particularly observed in the dramatic expansion in the size of the Ministry of Justice and HMPPS bureaucracies – where huge increases in those working in non-operational roles in the five years between 2018 and 2023 have been the norm. This trend contrasts with pitiful increases in the number of operational staff actually working and leading people on the prison and probation frontline.

Recommendation: The Government should replace, in their entirety, the most senior executive managers of the Ministry of Justice and His Majesty's Prison and Probation Service with a cadre of leaders who will focus on empowering Governors to run their establishments effectively and on holding them account for this alongside publicly available performance measures to drive high levels of performance and accountability. The incumbents are simply inadequate to the task. None should be promoted or redeployed elsewhere within the civil service. They should be dismissed entirely.

Within policing the problems are just as acute. While London's Metropolitan Police has been the focus of many headlines, particularly

following the departure of Commissioner Cressida Dick and the damning verdict of the Review into the force by Baroness Casey of Blackstock, the situation outside the capital is far from positive. Several chief constables have recently been suspended; the chief constable of Northamptonshire was recently dismissed for having lied about his military service over the course of many decades; there were no applicants at all to be the chief constable of Humberside Police when the role became vacant after the previous chief constable retired after allegations of misconduct surfaced.

The above examples all concern allegations of misconduct. Yet, far from the gaze of the media and the public, there is a crisis of even greater proportions. While there is much commentary on the failings of policing – often by activists with their own brand of outrage to pursue, the real issue is not that police leadership is institutionally racist, sexist, homophobic or corrupt. The real issue is that if policing leadership is institutionally anything then it is, like so many bureaucracies, institutionally incompetent. There are, of course, exceptions to this rule but they are too few.

Drastic improvements in the ability of the next generation of police leaders are required. The training and development of police leaders must be transformed, with a focus on leading the fight against crime and disorder. A greater diversity of experience is required for those heading to the top. Every potential chief constable should have a stint in another field, preferably in business so they have experienced real competition rather than a career spent purely in policing's stifling monopoly provision.

The closed shop governing promotions at the very top of policing should be broken. External entrants should be brought into policing at every level above superintendent, including chief officers. Those who have left policing at an earlier stage in their career, and gone on to gain professional experience elsewhere, should be enticed back into senior roles. There should be a substantial increase in the number of high-performing officers who are identified at an early stage of their careers to then be rapidly promoted into the senior ranks. At least 50% of all appointments at chief officer level should be to those from these avenues. Police and Crime Commissioners should have the final say in selecting all members of chief officer teams. More effective procedures to dismiss senior leaders who persistently under-perform should be implemented.

Recommendation: A wholesale change in the structure and approach of police leadership is required. The design and implementation of this should be led by an individual from outside policing with ministerial backing and a willingness to change police regulations. This should include Police and Crime Commissioners having the final say in all appointments to chief officer teams.

The last forty years of legislation and politics has created an environment designed to limit and neuter policing to apparently protect various groups from state over-reach. The drive for increased checks and balances – an increase in the 'accountability state' – has gone too far with the result

being failing police forces and a failing criminal justice system.

Some of the legislation of the last forty years which has contributed to this includes, but is not limited to: the Police and Criminal Evidence Act 1984, the Criminal Procedure and Investigations Act 1996, the Human Rights Act 1998 and the Regulation of Investigatory Powers Act 2000. Although parts of this legislation have enabled policing to become more effective at catching criminals, this is far from being the case universally.

One area which could be subject to rapid change are the various authority levels for police officers to take certain actions. For example, the extension of suspects' time on pre-charge bail requires the authority of an Inspector or Superintendent;¹¹⁰ to use dispersal zone powers officers must obtain the approval of an Inspector;¹¹¹ for officers to use certain stop and search powers in the event of potential serious violence requires the approval of an Inspector.¹¹² In all of these cases and many more the burden on officers – both senior and more junior – could be reduced by providing Constables and Sergeants with the autonomy to make these decisions themselves without the constant reference to more senior colleagues.

Recommendation: Legislation should be passed which reduces the 'authority' level for police action – reducing the rank required to the lowest possible level and at a minimum and in all cases reducing the rank required by one lower than is currently required.

One of the gravest problems within policing is that while senior officers are barely held to account in any effective sense for poor performance, more junior officers who are actually on the ground fighting crime are subject to an ever-increasing burden of career-risk for merely doing their job. Many junior officers have been dragged through the courts or subjected to misconduct investigations for exercising their legal powers, such as stop and search, driving to terrorist incidents or, on thankfully few occasions, using force to deal with an imminent lethal threat.

Too often the complaint has been made that officers have been 'racist' with insufficient evidence to back up such contentions. We should be unsurprised if, against the backdrop of noisy activism, the confidence of police officers to take action on behalf of the state and the public has plummeted, to the detriment of this country's law-abiding majority.

There must be a wholesale re-evaluation of the entire regime for dealing with police officers who take action on behalf of the state to fight crime and disorder so that they are adequately protected from vexatious misconduct investigations or criminal prosecutions. The current threshold for misconduct investigations is too low and there are too few legal protections for individual police officers when acting on behalf of the state.

The powers and scope of the Independent Office for Police Conduct should be drastically scaled back. When dealing with complaints against police officers, at the earliest stage the previous convictions of complainants (particularly convictions for dishonesty or offences involving violence)

110. Sections 47ZD & 47ADZ Police and Criminal Evidence Act 1984, [link](#)

111. Section 34 Anti-social Behaviour, Crime and Policing Act 2014, [link](#)

112. Section 60 Criminal Justice and Public Order Act 1994, [link](#)

should be considered as a guide to whether a complainant's account of events can be relied upon. Too many criminals use the police complaints process to impede the actions of those police officers who are simply attempting to do their job fighting crime.

Recommendation: The Government should introduce legal protections for police officers undertaking actions on behalf of the state to reduce the incidence of vexatious allegations of misconduct and the risk of prosecution. There should be a substantial scaling back of the powers and scope of the Independent Office for Police Conduct. Where complainants have previous convictions, this should be a substantial factor in deciding whether to commence a misconduct investigation into a police officer's actions.

League tables

Data is not readily available to the public to demonstrate how their local force is performing compared to others. There should be a national league table measuring the most important areas in the fight against crime in order to make it possible to compare police forces. National Turnaround Teams, aimed at chief officer and other senior management positions, should be developed and deployed to deliver rapid 'turnarounds' in police forces where they are identified as being required.

Recommendation: Ministers should implement an immediate police force improvement programme which includes the deployment of rapid 'turnaround teams' to take over failing police forces and league tables to demonstrate to the public how their local force is performing.

A Dramatic Expansion of the Prison Estate

We must accept the reality that there are some people in our society who have committed terrible crimes. Some are unapologetically prolific in their offending behaviour. Those who commit crimes cause harm to the broader polity. Those sent to prison often have a litany of failed community sentences behind them. For those who continue offending despite having had those opportunities, prison should be a necessary and reasonable consequence. The law-abiding majority should not have to tolerate the behaviour of those who choose not to abide by the laws that enable our society to function. Those who advocate fewer people being sent to prison are forcing the public to lead lives immiserated by those who choose to break the law, a position that we believe is wholly unacceptable.

The criminal justice system is somewhat akin to a pipeline network. The police investigate criminal offences and arrest those suspected of committing criminal offences. The Crown Prosecution Service then conducts prosecutions. The courts then consider a defendant's guilt or otherwise and sentence an individual if found guilty. The prison service then holds in custody those sentenced to a term of imprisonment. The probation service then monitors some of those serving non-custodial

sentences and those released from prison.

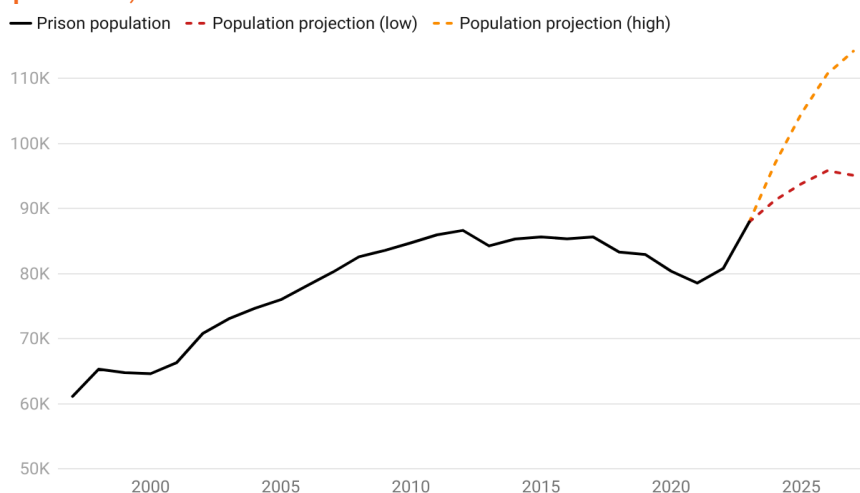
The reality is that the existing limit on prison places is having a calamitous effect on the rest of the criminal justice pipeline. Police officers have been told to limit arrests; crown courts continue to suffer from huge backlogs with the inevitable impact on the public, victims and defendants; and the judiciary have been advised to consider the existing capacity limits in the prisons system when deciding whether to impose custodial sentences on those convicted of criminal offences. It is unconscionable that decision-making on sentencing is becoming a function of prison capacity.¹¹³ Quite simply, to achieve a less permissive approach to crime, we need to be able to put more people behind bars.

As of mid-September 2024, there were 86,333 people in prison in England and Wales.¹¹⁴ During the Labour Governments of 1997-2010, the prison population increased by 39% from 61,114 in 1997 to 84,725 in 2010. During the Conservative Governments of 2010 – 2024 there was barely any increase.

Compared to the total volume of crime committed (9.5 million offences in the year to September 2024) and even the number of people found guilty of committing criminal offences (1.08 million convictions in the year to June 2023), we send comparatively few people to prison. The idea that we as a country are “addicted to punishment” is both incorrect and certainly not the view of the vast majority of the law-abiding public and victims of crime.

The maximum number of people who could be held in the prisons of England and Wales in mid-September 2024 was 89,552.¹¹⁵ Based on the most recent projections published by the Ministry of Justice the prison population is projected to reach between 95,100 and 114,200 by November 2027.¹¹⁶ There will therefore be a need for a further 5,500 to 24,700 prison places within the next three years. (See Chart 19.)

Chart 19: The England & Wales prison population and projected population, 1997 - 2027



Source: Ministry of Justice - Prison Population Projections: 2023 to 2028 and Offender management statistics quarterly.

113. BBC News, Courts told to delay sentencings over prison space, 23rd August 2024, [link](#)

114. Ministry of Justice (2024), Prison Population bulletin 13th September 2024, [link](#)

115. Ibid

116. Ministry of Justice (2024), Prison population projections: 2023 to 2028, [link](#)

At the 2021 Spending Review, the previous government committed to delivering 20,000 more prison spaces by the mid 2020s. Yet as of 2023, only 5,400 places had been delivered.¹¹⁷

As part of their General Election manifesto, the Labour Government committed to: “deliver the 20,000 promised jail places to ensure there is always enough space to lock up the most dangerous offenders”. The 20,000 prison places quoted in the Labour Manifesto includes 6,000 which the previous Government had already delivered, so in reality the new Government has committed to an additional 14,000 prison places.¹¹⁸ This would take the total number of prison places to 104,000.

We believe that the Government must go further. In addition to their existing commitment, they should deliver the Ministry of Justice’s upper projection for prison places plus an additional 15,000 places. This would enable the most prolific offenders (which we describe as ‘hyper-prolific offenders’) to be sentenced to a term of imprisonment on conviction of a further offence. Furthermore, there are currently 20,533 prisoners living in ‘overcrowded’ conditions. The impact of this on prisoner welfare and their ability to undertake the activities which would make them more likely to live productive lives on release is considerable. Efforts should therefore be made to finally eliminate prison overcrowding by building an additional 13,000 prison places – even though this would not increase the number of prisoners that the prisons can accommodate.

In total, therefore, we recommend building an additional 53,000 prison places over the coming decade, increasing the prison estate by 40,000 prison places and eliminating prison overcrowding. This would take the total number of prison places to 130,000 – an increase from the prison estate’s current maximum operational capacity of 45%. To those who say that our plans are too ambitious, we would point them towards the achievements of the “tough on crime, tough on the causes of crime” New Labour Governments of 1997 to 2010, which increased the number of prisoners held within the estate by 38%, accompanied by substantial falls in crime over the same period.

Cash will be necessary for this expansion in the prison estate, and we have earmarked £8.4 billion, or £840 million per annum over the next decade, for that purpose.¹¹⁹ Alongside this we have allocated £1.5 billion per annum to run the additional prisons.

This is an upper estimate of the level of investment required to achieve our objectives of creating the foundations for a less permissive approach to crime in this country. We anticipate that over the course of the decade there will be a series of dynamic, behavioural effects of our policy changes – in particular, we anticipate that the increased likelihood of being sent to prison will produce a deterrent effect for some who might otherwise have committed crime.

Recommendation: The Government should build an additional 53,000 prison places to increase the size of the prison estate by 40,000 prison places and eliminate prison overcrowding. This will require an

117. J. Beard (2023), The prison estate in England and Wales, House of Commons Library, [link](#)

118. Labour Party 2024 Manifesto (2024), “Labour Party prisons policy: How we will fix the prisons crisis and keep criminals behind bars”, [link](#)

119. Based on actual costs of delivered schemes – adjusted for inflation

investment of £2.3 billion per year for the next decade.

The need for planning reform

Cash alone will be insufficient. For any attempted prison building project would be plagued by the same challenges that every new infrastructure project presently faces in the United Kingdom. Until the Planning and Compulsory Purchase Act of 2004, Crown development took place outside the planning system. But since then, prison building has become subject to the same discretionary planning rules established by the Town and Country Planning Act of 1947.¹²⁰ Therefore it is at the mercy of the same vexation, delay and additional expense as other infrastructure projects.

The development of HMP Millsike, alongside the existing HMP Full Sutton near York, is an example of the planning issues that surround the building of new prisons. The prison received planning permission in September 2019, yet it is still yet to open.¹²¹ Objections to the project were raised on the basis of landscape visual impact, poor transport connectivity and a lack of local services.¹²²

Similarly, plans for a prison at Grendon Underwood in Buckinghamshire, which were in this case rejected by the council and then overturned by the Secretary of State, cited “significant concerns regarding the sustainability of the site, the landscape character and visual impacts, harm to designated and non-designated heritage assets, the loss of playing fields as well as the impact on biodiversity”.¹²³

As well as planning permission for prisons being administered through the Crown Development Route, as now intended by the Government, we believe that prisons should be added (along with hospitals) to the list of National Significant Infrastructure Projects (NSIP). This regime was introduced to streamline the planning process for new energy and transport infrastructure. This is no qualitative difference between the infrastructure included in the NSIP regime and badly needed prison sites, and so the latter too should qualify for the expedited planning route.

Even once this hurdle has been overcome, over half of applications going through the NSIP regime are now beset by delays of nine months or more, not least because of the sheer volume of red tape and bureaucracy involved even in this supposedly streamlined permissions route, and because such applications are increasingly challenged through the courts.¹²⁴ There should therefore also be a wholesale attempt to reduce the bureaucratic requirements of the NSIP regime, along with a new National Policy Statement (NPS) on prison infrastructure to help safeguard legitimate planning applications for new prisons from legal challenge.

Recommendation: As well as planning permission for prisons being administered through the Crown Development Route, as is now intended by the Government, it should add prisons, like hospitals, to the National Significant Infrastructure Projects (NSIP) and publish a new National Policy Statement on prison infrastructure to overcome the significant challenges relating to the planning system when

120. Town and Country Planning Act (1947), [link](#)

121. East Riding of Yorkshire Council (2019), Planning Committee, Minutes, 12th September 2019, [link](#)

122. East Riding of Yorkshire Council (2019), Planning Committee, Agenda, 12th September 2019, [link](#)

123. Buckinghamshire Council (2022), Report to Buckinghamshire Council – Strategic Sites Committee, Application number: 21/02851/AOP, [link](#)

124. Dumtriu, S. (2022), Why Britain Struggles to Build Infrastructure, 22nd November 2022, [link](#)

building prisons.

Taking Back the Streets

A “live and let live” approach to communal existence is essential to any healthy and durable society. But allowing that liberality to degenerate into a reticence to tackle ‘low-level’ crime and anti-social behaviour, which does material harm to others and which in the long run creates a permissive environment for more substantial crime, is morally wrong.

In 1982, George Kelling and James Wilson penned their seminal article on the ‘broken windows’ theory of policing.¹²⁵ In it, they argued that anti-social behaviour such as street prostitution, public drinking and aggressive begging could be seen as analogous to the physical decay of an urban environment such as vacant buildings, smashed windows and dilapidated playgrounds.

They contended that, much like the abandoned building with broken windows quickly leading to further degradation of the urban environment, so the effect of not dealing with anti-social behaviour can lead to an increase in serious types of criminality. As law-abiding residents experience greater fear on the streets, they retreat into their homes and eventually move away. The informal social control within these communities breaks down and those who might commit crime and disorder become emboldened.

Wilson and Kelling argued that by dealing at an early stage with disorder, anti-social behaviour and ‘low-level’ criminality, the police could prevent an escalation to more serious acts of criminality. In doing so, a safe and ordered environment would be maintained in which the law-abiding majority of local residents could flourish.

There is now a wealth of evidence to show that policing which focuses on tackling anti-social behaviour and disorder can lead to reductions in property crime, violent crime, and drug offences.¹²⁶ And the British public care deeply about these sorts of offences too. According to the Crime Survey of England and Wales over a third of people say they have experienced anti-social behaviour in the last year.¹²⁷

The evidence suggests that the negative impact of long-term anti-social behaviour on victims is comparable to that experienced by those who have been the victim of a violent crime.¹²⁸ Those living in the most deprived areas are more likely to have experienced or witnessed anti-social behaviour than those living in less deprived areas.¹²⁹

In recent decades, however, and despite this understanding of what social contexts enable criminal activity, the visible presence of police in our communities and neighbourhoods has diminished enormously. In his first State of Policing Annual Assessment of Policing in England and Wales 2022, the Chief Inspector of Constabulary and former Chief Constable, Andy Cooke QPM DL, highlighted this retreat from the streets:

“Neighbourhood policing is the building block of policing in England and Wales. The police had to make some difficult choices during the period of austerity. It led them to stop doing, or do less of, some things they decided

125. Kelling, G L. and Wilson, J Q. (1982), Broken Windows: The police and neighborhood safety, *The Atlantic*, [link](#)

126. A. Braga, B. Welsh & C. Schnell (2019), Disorder policing to reduce crime: A systematic review, *Campbell Systematic Reviews*, [link](#)

127. Office for National Statistics (2024), Crime Survey of England and Wales - Crime in England and Wales: Other related tables, March 2024, [link](#)

128. V. Heap (2021), Exploring the effects of long-term anti-social behaviour victimisation, *International Review of Victimology* 2021, Vol. 27(2) 227–242, [link](#)

129. Home Office (2023), Anti-social behaviour: impacts on individuals and local communities, 27th March 2023, [link](#)

were ‘nice to do’ rather than essential. One of those things was neighbourhood policing. . . But neighbourhood policing isn’t just a nice to do. It is fundamental to the police’s relationship with the public and to preventing crime.”¹³⁰

The losses to policing over the last 15 years were not merely limited to the workforce, but also to policing’s capital infrastructure; over that period there was a significant reduction in the number of police stations between 2008 and 2018. In London alone 72% of police stations were closed.¹³¹

The evidence suggests that the policy of police station closures led to a rise in violent crimes in London, such as murders and assaults, in geographical areas near the closed stations.¹³² This increase was estimated at being an 11%, which occurred suddenly and persisted over time.¹³³ There was also a deterioration in police effectiveness, with a 3.7% reduction in “clearance rates”. Interestingly, this was accompanied by a fall in average house prices.¹³⁴ The decline of policing’s physical presence in the community is the context in which low level crime has proliferated.

We need to return to a form of policing that has the law-abiding majority living in communities as its principal concern, and which is based on the conviction that a safe and well-ordered social setting is a prerequisite for people to *feel* genuinely secure. But for some time now, a perverse understanding of neighbourhood or community policing has emerged. It sees local policing as principally a matter of community engagement and outreach, and gestures to different constituent parts of that community. Such an approach is doing little to improve the sense of security and order in the UK.

We propose a concerted effort to seize back the streets, underpinned by the type of ‘broken windows’ approach advocated by Wilson and Kelling. Police need to be more visible, and more engaged in fighting crime and anti-social behaviour in the local area that they are serving. They need to take low-level crime seriously, because environments that admit low-level crime attract and enable more serious criminal activity.

In their 2024 General Election manifesto, the Government stated: “Labour will introduce a new Neighbourhood Policing Guarantee, restoring patrols to our town centres by recruiting thousands of new police officers, police and community support officers, and special constables. Communities and residents will have a named officer to turn to when things go wrong.”¹³⁵ The Government has committed to increasing the number of those working in neighbourhood policing teams, with an additional 3,000 police officers, 4,000 police community support officers (PCSOs) and 3,000 volunteer special constables.¹³⁶

While volunteer special constables have traditionally brought much to the communities in which they work, the reality is that they usually work far fewer hours than full-time officers, with the minimum expectation being 16 hours per month.¹³⁷ Special Constables are also unlikely to be on duty sufficiently frequently to strengthen the relationships necessary to improve neighbourhood policing. If the Special Constabulary is to be a substantial contributor to the fight against crime a wholesale rethink in

130. His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (2023), *State of Policing: The Annual Assessment of Policing in England and Wales 2022*, [link](#)

131. Facchetii, E. (2024), *Police Infrastructure, Police Performance, and Crime: Evidence from Austerity Cuts*, Institute for Fiscal Studies, April 2024, [link](#)

132. Ibid

133. Ibid

134. Ibid

135. Labour Party Manifesto (2024), *General Election 2024*, [link](#)

136. Institute for Government (2023), *Keynote speech by Rt Hon Yvette Cooper MP (then Shadow Home Secretary)*, [link](#)

137. Metropolitan Police Service (2024), *Special constables (volunteer police officers)*, [link](#)

the approach is required.

One avenue would be to replicate the Reserves model used in the armed forces – creating a substantial Reserve Constabulary where officers would be required to contribute a minimum annual commitment alongside occasional longer-term deployments into both emergency response and more specialist capabilities. The numbers of officers could be increased substantially – even as far as an increase of ten-fold from the current 5,818 officers of the Special Constabulary¹³⁸ to 60,000 members of a Reserve Constabulary within the next decade.

Recommendation: The Special Constabulary should be remodelled entirely as the Reserves Constabulary – based upon the contribution made by the armed forces reservists. This should entail a substantial increase in the size of the Reserve Constabulary which enables a minimum annual commitment and long-term deployments into emergency response and specialist capabilities.

The Government’s proposal to increase the number of PCSOs rather than fully warranted and qualified police officers appears to be primarily based on the benefits in reduced cost rather than effective crime fighting. In the light of our recommendation to invest significant additional funding into policing, these new recruits should instead be fully paid regular police officers.

While the rebuilding of neighbourhood policing is necessary, an increase in workforce alone would be insufficient. It must come with a clear strategy, led by government, to ensure the growth in neighbourhood policing teams leads to a far greater contribution towards the fight against crime and disorder.

Recommendation: The Government should follow through on its manifesto commitment to increase the number of police officers working in neighbourhood policing, with these officers focused on fighting crime and disorder. To ensure chief constables deliver on the Government’s ‘Neighbourhood Policing Guarantee’, funding allocations for forces should be ring-fenced so a proportion of funding can only be used for those in neighbourhood crime-fighting roles.

Neighbourhood policing teams often undertake so called ‘engagement activities’ which are utterly ineffective in achieving the objectives which would truly make a difference to the fight against crime and disorder. One very senior police officer described these activities to one of the authors of this report as “kissing babies”.

He is right to be so dismissive. The role of constables and sergeants in neighbourhood policing teams should be recast. These are activities which other individuals and agencies are well able to do, including staffing ‘community stalls’ to hand out leaflets to passing members of the public and bicycle marking. These officers should be trained and deployed in

138. Home Office, Police workforce: England and Wales: 30 September 2024, [link](#)

such a way that they are incentivised to take the fight to the criminals responsible.

The roles must be made as attractive as possible to the most capable officers. To recognise the additional responsibilities these police officers should hold, they should be entitled to additional benefits compared to their peers. This should include additional payments above their basic salary and access to additional training courses. If necessary, the Government should amend Police Regulations to enable this.

Recommendation: The College of Policing and National Police Chiefs Council should rewrite the Approved Professional Practice for Neighbourhood Policing to recast this as a principally crime-fighting role – as opposed to officers spending their time undertaking activities which could and should be completed by other individuals and agencies, such as staffing ‘community stalls’ and bicycle marking.

The key to increasing the public’s confidence in policing is that neighbourhood teams focus on the greatest crime and disorder concerns of local people.¹³⁹ This sense of local ownership is critical to neighbourhood policing fulfilling its promise.¹⁴⁰ In particular, to properly understand the issues which concern local people, policing must go beyond working with the ‘usual suspects’, i.e. the elites that often make up Independent Advisory Groups and Safer Neighbourhood Boards. Similarly, the focus on the concerns of local people must always override the concerns of interest, lobby or campaign groups.

Policing rightly operates more intensively in communities where there is more crime. One of the most pernicious concepts, originally created by groups of activists but now readily accepted by policing itself, is that of “over-policing” with even the national Police Race Action Plan stating: “Concerns about the over-policing of black communities are longstanding. There is a body of evidence that points to racial disparities in the use of police powers at a national level – particularly in relation to black people.”¹⁴¹ Yet, taking one example alone, it is overwhelmingly more likely that black children will be murdered on the streets of the capital than other groups.¹⁴²

Given this, it would be unconscionable for the police to under-use their lawful powers in circumstances where they might contribute to reducing the likelihood of a young person, black or otherwise, being murdered. It is not by failing to use their lawful powers that the police will increase the public’s confidence in policing.

To achieve genuine local accountability every neighbourhood, at a local ward level, should have a single named officer responsible for the fight against crime and disorder in that area. This officer should be invested with a high degree of autonomy. Their name, photograph and contact details should be listed on the force website. This should include a phone number and email address, not merely a switchboard or online form – as is so often the case currently.

139. Gill et al. (2014), Community-oriented policing to reduce crime, disorder and fear and increase satisfaction and legitimacy among citizens: a systematic review, *Journal of Experimental Criminology*, Vol 10, [link](#)

140. Myhill, A. (2012), Community engagement in policing: Lessons from the Literature, National Policing Improvement Agency, [link](#)

141. NPCC & College of Policing (2022), Police Race Action Plan: Improving policing for Black people, [link](#)

142. London Homicide Dashboard (2024), [link](#)

This should similarly be the case for more senior Basic Command Unit (BCU) or Area Commanders (usually at Chief Inspector, Superintendent or Chief Superintendent ranks). It is currently easier for a Londoner to find out who the NYPD Commanding Officer for the 42nd Precinct in New York's The Bronx is, than to find out who the BCU (Basic Command Unit) Commander is for Westminster or Tower Hamlets. This should embarrass and shame those responsible for London's policing.

In order that local residents can see the crime fighting that their local policing teams are undertaking, all neighbourhood police officers should follow the examples of officers who regularly use mapping tools and social media to share with the public where they are conducting foot or bicycle patrols in their local area.¹⁴³

Each neighbourhood officer should publish on a monthly basis the proportion of their duty-time that they have spent on specific local crime and disorder priorities set by the public and visible foot-patrol duties in 'hot-spot' areas. The amount of time on non-priority activities, particularly those away from their neighbourhood, should also be published.

Every 100 days every local neighbourhood police officer should present to the public what they have achieved in terms of crime fighting in the local neighbourhood.¹⁴⁴ This should be done in person and online to maximise the number of local people who can see the activity undertaken by the police and the impact that activity is having on crime and disorder in their local areas.

Recommendation: As a condition of receiving 'ring-fenced' funding for neighbourhood crime-fighting policing the Home Office should hold chief constables to account for delivering minimum expectations. This should include the introduction of 100-day impact presentations; the publication of data relating to crime-fighting activities undertaken by neighbourhood policing teams; and the publication of the phone number, email and photograph for neighbourhood officers and BCU or Area Commanders.

Police chiefs must be held to account for the delivery of a high standard of neighbourhood policing across every police force. The Home Secretary should require that His Majesty's Inspectorate of Constabulary and Fire and Rescue Services inspect every force in relation to their delivery of effective neighbourhood crime-fighting. This should be included in every force's PEEL force inspection. Where forces are found to be failing to deliver the necessary standard of crime fighting, particularly as part of neighbourhood policing, the Home Secretary should use Section 40 of the Police Act 1996 to direct the Police and Crime Commissioner to take action – if necessary, removing the Chief Constable.

Recommendation: His Majesty's Inspectorate of Constabulary and Fire and Rescue Services should include the effectiveness of neighbourhood policing teams as a discrete category in every force PEEL inspection –

143. See for example @MPSLambethNorth, 30th April 2024, [link](#); @MPSFinchleyCEnd, 16th April 2017, [link](#); @MPSSurbitonHill, 20th October 2015, [link](#)

144. An example of this can be seen at: YouTube (2016), Police Now, [link](#)

publicly identifying which forces are effective and which are failing to deliver this function effectively for the public. Where forces are failing to deliver consistently effective crime fighting, particularly as part of neighbourhood policing, the Home Secretary should use Section 40 of the Police Act 1996 to require the local Police and Crime Commissioner to take action – including where necessary removing the Chief Constable.

Smarter Policing

We need to be smarter at fighting crime. We need to make better decisions at the strategic level, and we need to employ better approaches at the tactical level. We know the criminal activities imposing the greatest costs on society, and we know those areas of crime which are a growing problem in communities across the United Kingdom. And what's more, we know the specific cohort of offenders who are generating the greatest societal costs. Any criminal justice policy must specifically target those individuals who so relentlessly immiserate the lives of the law-abiding majority of people in this country.

To this end, we recommend a smarter approach to policing which is more geographically targeted, that employs both tried and tested methods like stop and search alongside new technologies, and which responds specifically to the growth areas of criminal activity. We take these in turn below.

Targeting the 'power few' locations

There is a wealth of evidence to suggest that certain types of crime and disorder cluster around small geographical places or 'micro-neighbourhoods' such as street corners, transport hubs, or a small group of addresses.¹⁴⁵ These 'hot spots' of crime and disorder can persist over long periods of time. One study showed that 5% of 'street segments' accounted for half of all crime over a 14-year period.¹⁴⁶ Another estimated that at least half of all criminal events occur in these relatively small public spaces, which are notably far smaller than the geographic units which policing, local authorities and other local services are organised around.¹⁴⁷

The predictability of when and where crime is likely to occur provides a significant opportunity for the police to target crime, anti-social behaviour and disorder in a way which is both more precise and efficient than otherwise might be the case. Precision targeting also assists the police in focusing their efforts on those locations and individuals who are involved in disorder and crime rather than law-abiding members of the public. By targeting these 'hotspots' for crime and disorder it is possible for the police and other agencies to have a disproportionate impact on the overall rate of crime and disorder plaguing a community.¹⁴⁸

The targeting of 'hotspots' can particularly affect and reduce offences concerning anti-social behaviour, disorder, property offences, drug offences and serious violence.¹⁴⁹ The evidence also suggests that the benefits of police officers focusing on hot-spots are diffused beyond the

145.L. Sherman (1989), Hot Spots of Crime and Criminal Careers, [link](#)

146.D. Wesiburd, S. Bushway, C. Lum, S. Ying (2004), Trajectories of Crime at Places: A Longitudinal Study of Street Segments in the City of Seattle, *Criminology*, vol 42 (2), pp 283-321, [link](#)

147.L. Sherman, P. Gartin, M. Buerger (1989), Hot spots of predatory crime: routine activities and the criminology of place, *Criminology*, vol 27 (1), pp 27-56, [link](#)

148.A. Braga, B. Turchan, A. Papachristos, D. Hureau (2019), Hot spots policing of small geographic areas effects on crime, *Campbell Systematic Reviews*, [link](#)

149.Ibid

hot-spot area itself, with nearby locations also benefitting from reduced crime and disorder.¹⁵⁰

Officers posted to neighbourhood policing teams should spend a significant proportion of their time conducting ‘high visibility’ foot-patrol, particularly in urban and sub-urban areas. In more rural areas alternative means of patrol are likely to be effective, for example using bicycles, quad-bikes or motor vehicles. The key is that officers spend their time getting out of their vehicles and talking with local people in the streets, in their businesses and on their doorsteps.

Through these conversations officers will have the opportunity to build relationships with local people and to gather intelligence on local crime and disorder problems on which they can then act. Officers dedicated to such patrols are also far more likely than those posted to other duties to be able to intervene in the sort of ‘low-level’ crime, disorder and anti-social behaviour which causes distress to the public, but which may not lead to the police being called directly at the time when they occur.

In ‘hotspot areas’, whenever officers have reasonable grounds to suspect that someone may be in possession of a weapon, drugs or other prohibited items, they should be stopped and searched. The number of stop and searches conducted by police peaked in 2010/11 at 1.2m nationally.¹⁵¹ This had been consistently rising since 2003/4, coinciding with an 8.5% increase in the number of police officers over the same period.¹⁵² The number of arrests resulting from instances of stop and search peaked in 2007/8 at 120,351 arrests.¹⁵³

Following policy changes led by the Home Office under the previous government, both the number of instances of stop and search conducted and the number of resultant arrests have fallen.¹⁵⁴ The lowest recorded over the last 20 years was in 2017/18, with 280,000 searches, which led to 48,000 arrests, 70,000 fewer arrests than the peak of 2007/8.¹⁵⁵ In the last five years the number of searches and arrests has increased moderately, with 543,000 searches and 74,000 resultant arrests in the year to 2022/3.¹⁵⁶ (See Chart 20.)

150.Ibid

151.Home Office (2023), Number of stop and searches and number of arrests, year ending March 2023, [link](#)

152.Home Office (2023), Police workforce, England and Wales, 31st March 2023, [link](#)

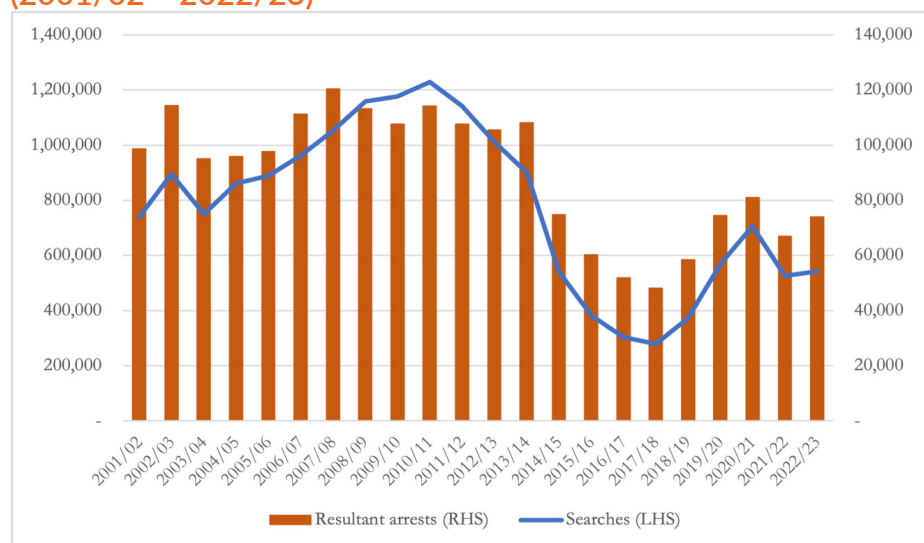
153.Home Office (2023), Number of stop and searches and number of arrests, year ending March 2023, [link](#)

154.Ibid

155.Ibid

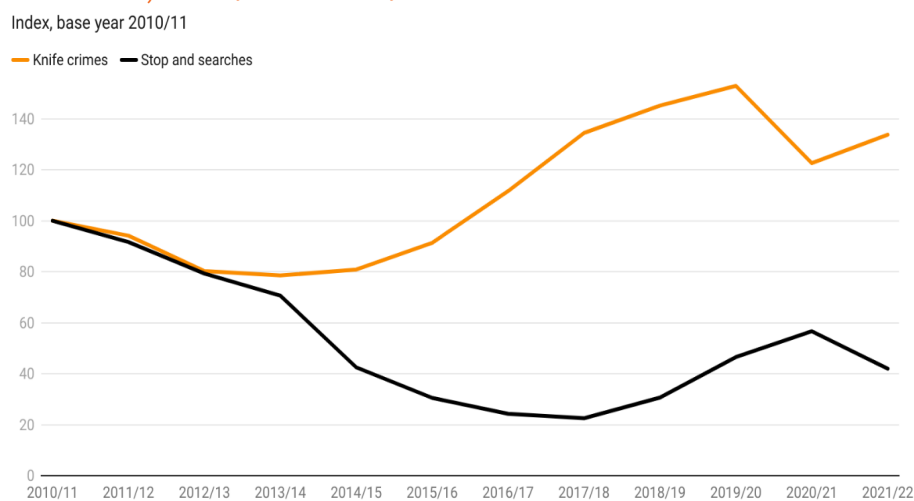
156.Ibid

Chart 20: The number of instances of Stop and Search (under section 1 PACE and associated legislation) in England and Wales (2001/02 – 2022/23)¹⁵⁷



Police must be unafraid of adopting approaches which have a track record of enabling them to discharge their core responsibilities effectively. In recent decades, however, such a principle has not been followed in relation to stop and search. The decrease in its usage, largely driven by political considerations rather than concerns about how best to deter or prevent crime, has coincided with a remarkable increase in knife crime, as shown in Chart 21. It goes without saying that there will be a range of causal factors behind the trends in knife crime other than the rate of police stop and search. But the graph is telling, nonetheless.

Chart 21: Trends in knife crime and stop and search rates in England and Wales, 2010/11 - 2021/22



Source: Home Office and ONS data. The knife crime data here is police recorded knife crime, which in this case is considered more accurate than CSEW by the ONS. The stop and search figures correspond to Section 1 and Section 60 search types.

157.Ibid

Recommendation: The Government should identify the most extreme ‘hotspots’ for the most serious offending, such as knife crime, and hold police chiefs to account for delivering a relentless policing presence in those areas. There should be very large numbers of officers on patrol in these areas (in the example above, literally in their hundreds). Every opportunity to lawfully stop and search individuals where reasonable grounds exist, should be taken. Surveillance officers should be operating to identify potential suspects. No lawful tactic should be out of bounds. Government should ringfence funding for this purpose.

New Technologies

Compared to the embedded culture of innovation and rigorous evaluation which exists in medicine and healthcare, policing, prisons and probation services are far behind. With a small number of notable exceptions, the successful application of new and advanced technologies to fighting crime has been both limited and fragmented.

Technology provides the opportunity to automate activities which have previously been completed manually by police officers and staff. Examples include the redaction of sensitive data from pre-charge case files, the examination and analysis of mobile phone data during investigations and the elimination of duplicate records on record management systems.

Avon and Somerset Police use Robotic Process Automation across their systems. Having automated 44 processes, they have released the equivalent of 200,000 police hours, or 70 full time posts.¹⁵⁸ More recently the force has been using Artificial Intelligence to review large volumes of evidence in complex cases.¹⁵⁹

While police forces are taking advantage of the opportunities provided by technology, often this amounts to individual forces working in silos rather than there being a co-ordinated, national effort. A more coherent national approach is required.

Live Facial Recognition is a 21st century technology which has the potential to transform the policing of our streets, making them safer for the law-abiding public. After years of development, including the creation of extensive ethical safeguards, this technology is now ready for widespread roll-out. Whenever it is deployed on the streets violent criminals are caught. And yet it is only being used by a handful of police forces. Politicians and police chiefs need to stop simpering to the small group of anti-police lobbyists and get this technology deployed in the ‘power few’ areas 24 hours a day, seven days a week.

Since January 2024, the Metropolitan Police has utilised Live Facial Recognition to target Registered Sex Offenders. During the subsequent six months 290 Registered Sex Offenders were stopped and spoken to by police, with 17 being arrested due to breaches in their relevant conditions.¹⁶⁰ The force provided two examples of the system being used in these types of cases:

“LFR case study 1:

158.Home Office (2023), The Policing Productivity Review, [link](#)

159.Bristol Live (2024), Police trialling AI that can review evidence for 27 cases in 30 hours - something that could take a human up to 81 years, [link](#)

160.Metropolitan Police (2024), Violence Against Women and Girls (VAWG) action plan - summer 2024 updates, [link](#)

A male convicted child sex offender was stopped by LFR with a new girlfriend. Officers formed the opinion that his new girlfriend was not aware of his previous offending history. She also had a younger sibling whom she lived with. Following a swift review of the case, a Child Sex Offenders Disclosure Scheme (Sarah’s Law) disclosure was made. This took place within 24 hours of the LFR stop.

LFR case study 2:

A convicted paedophile was stopped with a much younger person and her young baby. The stop identified a potential relationship. Following a swift review of the case, a Domestic Violence Disclosure Scheme (Clare’s Law) disclosure was made. This took place within two hours of the LFR stop.”¹⁶¹

Of course, some opponents of facial recognition technology (and other tactics), claim the technology is racially biased and so we should be cautious. But we need to be honest about who suffers most from knife crime. Former police Inspector and founding member of the Black Police Association, Chris Donaldson, was blunt when he spoke to one of the authors. He said:

“Young men are being killed and maimed on our streets every year. Many are black – and, let’s not be coy, many of the perpetrators are black. Political leaders are being naïve if they are not vocal in their support for Stop and Search and Facial Recognition technology. In return, the police need to deliver the results that these tactics apparently promise”.

Recommendation: A £200 million crime-fighting endowment fund should be established to transform the role of technology in fighting crime. Lessons from the success of Live Facial Recognition (LFR) systems should be applied to the developments of other technologies, enabling partnerships with organisations and businesses outside of policing. The focus must solely be on identifying technologies which can enable the identification and prosecution of the highest harm offenders (by both type and volume of offending) – and not other ‘engagement’ or ‘inclusion’ activities.

Fixing Our Sentencing and Court System

Faith in how we sentence criminals, and how they are processed through the courts, is at a dangerously low ebb. The public thinks that the system is far too lenient on those who break the law, that government has the wrong priorities and privileges the concerns of those who commit crime over law-abiding citizens, and that justice is taking far too long to be served.

Part of the additional investment we have outlined above for the criminal justice system should go to clearing the backlog of people waiting to appear before the courts. This is a vital first step, but more substantive reforms are required.

161.Ibid

Hyper-Prolific Offenders

Firstly, we need a complete reappraisal of how we tackle repeat offenders. We know that a specific set of criminals are committing the overwhelming majority of offences. Ministry of Justice (2023) analysis examining the cohort of offenders between 2000 and 2021 shows that 5.89 million individuals were convicted or cautioned for a criminal offence in England and Wales. Of those offenders, 526,000 (9%) accounted for over half (52%) of all convictions. The Ministry of Justice defines this group as ‘Prolific Offenders’.¹⁶²

Prolific offenders commit eight times as many offences compared to non-prolific offenders (20.14 offences per offender compared with 2.49). According to similar Ministry of Justice (2016) analysis on the cohort of offenders between 2000 and 2016, the top 2% most prolific offenders had on average been convicted or cautioned of 69 offences during this period.

Within the group of prolific offenders there a cohort of people who have a particularly deleterious effect on our society. Policy Exchange (2023) previously described these individuals as ‘hyper-prolific’ offenders – individuals with over 45 previous convictions or cautions.¹⁶³ In the year to December 2023 individuals in this group were convicted or cautioned on 3,246 occasions.¹⁶⁴ If we are to move the dial on the current cost of crime in the UK, deterring and disrupting the activities of these individuals is of paramount importance.

As it stands, however, *hyper-prolific offenders* received an immediate term of custodial imprisonment on only a quarter of those sentencing occasions (25.8%). Remarkably, despite already having at least 45 previous convictions, 11% received an absolute or conditional discharge on conviction, meaning they received no substantive punishment as part of their sentence.¹⁶⁵ (See Table 4.)

Table 4: ‘Hyper-prolific’ offenders - Disposal rate by sentencing type, 2023

Sentencing type on conviction	Disposal rate
Caution	0.8%
Absolute Discharge	0.8%
Conditional Discharge	10.2%
Fine	30.6%
Community Sentence	9.2%
Suspended Sentence	6.3%
Immediate Custodial Sentence	25.8%
Other	16.2%

Source: Ministry of Justice, First time entrants (FTE) into the Criminal Justice System and Offender Histories: year ending December 2023. Created with Datawrapper

162. The Ministry of Justice define adult prolific offenders as being, on the last appearance in the criminal justice system, aged 21 or older, had a total of 16 or more previous convictions or cautions, and had 8 or more previous convictions or cautions when aged 21 or older. There are difference definitions for juvenile and young adult offenders.

163. Spencer. D (2023), Wicked and Redeemable: A long term plan to fix a criminal justice system in crisis, Policy Exchange, [link](#)

164. Ministry of Justice (2024), First time entrants (FTE) into the Criminal Justice System and Offender Histories: year ending December 2023, [link](#)

165. Ibid

The vast majority of citizens and visitors to the United Kingdom obey

the law. However, the relatively small cohort of *hyper-prolific offenders* cause their victims untold misery and prevent the public from being able to live safely in their homes and in their communities. They have been through the criminal justice system on many occasions. Although the reasons and motivations behind their offending may be complex, there is little doubt that the wider public, the victims of these offenders and our society and economy as a whole suffer as a result of the actions of these *hyper-prolific offenders*.

What is required is a more robust approach to dealing with these offenders, which genuinely reflects the totality of their offending and the cumulative burdens they impose on society.

Firstly, the most prolific offenders must be proactively and relentlessly targeted by the police in order that enforcement action can be taken. Secondly, once convicted of further offences, sentencing should be tougher.

Every police force in the country should replicate the efforts of the Metropolitan Police which in July 2023 began proactively targeting the 268 men who were assessed as posing the greatest risk to women and girls in the capital.¹⁶⁶ Two of these most dangerous offenders were suspected of having over 15 victims of their criminality.¹⁶⁷ Over the subsequent two months 44% of these men were arrested by the police for various criminal offences.¹⁶⁸

These tactics should be expanded to other priority offenders with the express intention of identifying them, investigating them for the offences they are committing and putting them before the courts where, if found guilty, they can be subject to lengthy terms of imprisonment.

Although the purposes of incarceration are not universally agreed upon, four functions are broadly accepted: punishment, deterrence, the protection of the public and rehabilitation. While each is important, in relation to the most recidivist offenders, we argue that it is the protection of the public which should be pre-eminent. The law-abiding public should not have to suffer so egregiously from the actions of a small minority who have chosen to commit a very great number of criminal offences over a long criminal career.

Quite simply, incarceration significantly diminishes the ability of most repeat offenders to continue committing offences. We need to shift our sentencing policy towards the interests of the public, and away from those of the criminal.

As previously recommended by Policy Exchange (2023), to provide victims and the wider public with a respite from the criminal behaviour of the most prolific offenders, a mandatory minimum term of two-years imprisonment for adult *hyper-prolific offenders* should be applied on each occasion that they are convicted of a criminal offence. Judges and Magistrates should be required to impose this mandatory minimum sentence, which should be served in its entirety in custody, without any option for early release. This term of imprisonment should be applied immediately on conviction with the sentence able to be given in both the

166. Metropolitan Police (2023), FOI Request, Ref: 01.FOI.23.032010, [link](#)

167. The Independent (2023), Met Police reveals London's 100 worst predators who target women, [link](#)

168. Metropolitan Police (2023), FOI Request, Ref: 01.FOI.23.032010, [link](#)

Magistrates and Crown Courts.

In cases where a defendant is being convicted of multiple offences on a single occasion, only a single two-year term of imprisonment would be applied. In cases where a defendant is convicted of further offences when they are already serving a two-year sentence under this provision, a further sentence should not be applied.

While all previous criminal convictions obtained as an adult in the courts of England and Wales should ‘count’ for the purposes of defining an individual an adult *hyper-prolific offender*, only conviction for a further ‘either-way’ or indictable offence should trigger the provision.¹⁶⁹

While imprisoning the most prolific offenders for a minimum period may well bring a period of respite for the public from their offending behaviour, it is essential that during this time other potential benefits are realised. Up to 50% of the prison population are believed to be functionally illiterate¹⁷⁰ and 50% are believed to be addicted to drugs.¹⁷¹ Both factors are heavily weighted to the most prolific offenders.

During their two-year mandatory prison sentence, it is essential that prisoners are not merely warehoused away from society. They must be given every possible opportunity to access the services and opportunities which are known to reduce the likelihood of reoffending on release. At a minimum, for those that require them, prisoners must have access to drug and alcohol addiction treatment services and access to education and skills development opportunities.

Without appropriate interventions being utilised during their time in custody, prolific offenders are clearly at high risk of reoffending on release. Prison and probation leaders must therefore be required by law - and then held to account - for delivering these services to these particular prisoners. This two-year sentence must be used as an opportunity to break the cycle of reoffending for these offenders once and for all.

Recommendation: The Government must introduce legislation that requires magistrates (extending the existing sentencing powers for magistrates) and Crown Court Judges to sentence adult *hyper-prolific offenders* to a minimum term of imprisonment of two years in custody on conviction for any further ‘either-way’ or indictable criminal offences. For all offenders, in order that criminals are penalised for the fullest possible extent of their offending behaviour, the practice of ‘concurrent’ sentences should be abolished.

Recommendation: For adult *hyper-prolific offenders*’ sentenced to a minimum term of imprisonment, legislation should be introduced which places obligations on His Majesty’s Prison and Probation Service that these offenders receive a ‘Mandatory Individual Intervention Plan’ for the duration of their time in custody (for example including mandatory drug addiction treatment, education or skills programmes).

169. This would not however include convictions which have not been obtained as a result of a court hearing – for example police cautions, Fixed Penalty Notices and other similar disposal mechanisms would be excluded.

170. HM Inspectorate of Prisons & OFSTED (2022), Prison education: a review of reading education in prisons, [link](#)

171. Ministry of Justice (2023), Press release, ‘Addiction crackdown sees huge rise in prisoners getting clean’, [link](#)

Deporting Foreign National Offenders

We need to revisit our approach to non-British citizens who commit crimes in this country. At the end of June 2024, there were 10,435 foreign nationals held in custody, representing 12% of the custody population.¹⁷² The most common nationalities after British Nationals in prisons are Albanian (12% of the foreign national offender prison population), Polish (9%), Romanian (7%), Irish (6%) and Jamaican (4%).¹⁷³ 6,486 of those in custody had been sentenced and were serving terms of imprisonment.¹⁷⁴

The first duty of those elected to govern our country is to the British public. That is the fundamental contract which holds a democratic society together. When foreign criminals are able to remain in this country after causing harm to members of the law-abiding majority, it undermines our shared understanding of citizenship – the idea that calling this country home comes with both rights and responsibilities that apply to all.

Under section 32 of the UK Borders Act 2007, the Home Secretary has a legal duty to deport those individuals who have been sentenced to more than 12 months in prison.¹⁷⁵ Under section 33 of the Act there are a series of exceptions, principally relating to offenders under the age of 18 years old or if there may be a breach of the European Convention on Human Rights, the UN Refugee Convention or the Council of Europe Convention Against Trafficking in Human Beings.¹⁷⁶

The most commonly held route for attempting to avoid deportation is through a claim invoking Article 8 of the European Convention on Human Rights, that everyone has “the right to respect for his private and family life, his home and his correspondence”.¹⁷⁷ Importantly, Article 8 is a qualified right, meaning that the Government and other public authorities can rescind this right if this is lawful, necessary and proportionate.

Under section 117C (3), (4) and (5) of the Nationality, Immigration and Asylum Act 2002, individuals who otherwise would be subject to deportation may be permitted to remain if certain exemptions apply, specifically that: they have been resident in the UK for most of their life, are culturally integrated and there would be significant obstacles to being integrated in their country of origin; or they have a child in the UK who has been in the country for at least 7 years, and it would be unduly harsh to deport the child; or they have a partner in the UK who is a British citizen who it would be unduly harsh to deport.

Under section 117C (6) of the Act, should the individual have been sentenced to four years in prison or more, “very compelling circumstances” above those exemptions outlined above are required to make the case for someone to remain.

Chart 22 shows the recent history of the number of foreign national offenders deported from the UK.

172. His Majesty's Prison and Probation Service (2024), Offender management statistics quarterly: January to March 2024, [link](#)

173. Ibid

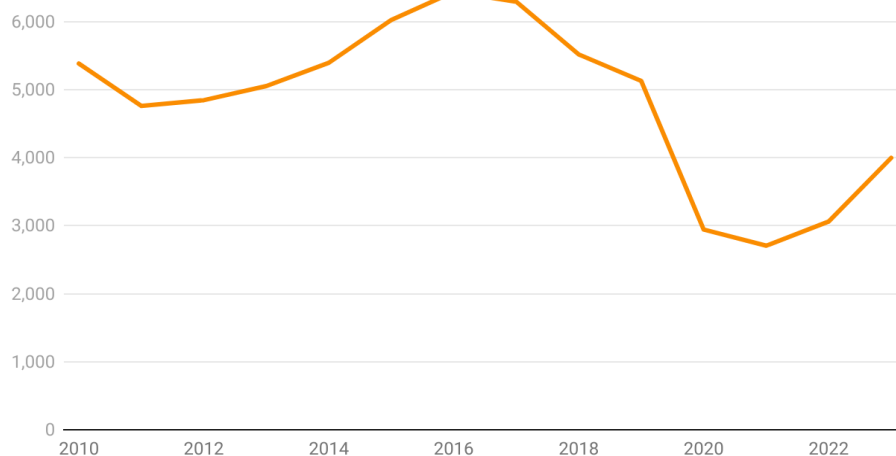
174. Ibid

175. UK Borders Act 2007, [link](#)

176. Ibid

177. Equality and Human Rights Commission (2021), Article 8: Respect for your private and family life, [link](#)

Chart 22: Number of Foreign National Offenders removed from the UK, 2010-2023



Source: Home Office, Immigration System Statistics – year ending June 2024: Returns, 22nd August 2024.
Created with Datawrapper

On the 31st March 2024 there were 15,364 Foreign National Offenders (FNOs) currently living in the community, having been released from prison.¹⁷⁸ In the preceding 12 months the number of FNOs living in the community had increased by 3,424, or 28.7%.¹⁷⁹ Historic data shows that at the end of September 2022 there were 3,708 FNOs who had been living in the community for more than 60 months since the end of their custodial sentence.¹⁸⁰

Section 117C (1) of the Nationality, Immigration and Asylum Act 2002 states: “The deportation of foreign criminals is in the public interest.”¹⁸¹ This statement is entirely correct and should be the starting point for all matters concerning Foreign National Offenders. The balance of the regime for foreign nationals who have been convicted of committing criminal offences is inappropriately weighted in favour of the offender rather than protecting the wider public and creating an environment which would enable our communities to thrive.

The 12-month imprisonment threshold for those who are automatically deported is one such example. Rather than this remarkably high benchmark, every foreign national convicted by a Magistrates or Crown Court of any criminal offence should be the subject of immediate deportation proceedings unless highly exceptional circumstances apply. The Nationality, Immigration and Asylum Act 2002 and the UK Borders Act 2007 should be amended to reflect that presumption.

Additionally, the Home Office is failing to adequately protect the public in relation to those individuals who, having had the opportunity to enter the UK, have been proven to be unwilling to consistently abide by the laws passed by Parliament. Substantially greater efforts should be made by the Home Office to locate and remove FNOs currently in the community awaiting removal.

178.Home Office (2024), Immigration Enforcement data: Q1 2024, [link](#)

179.Ibid

180.Ibid

181.Nationality, Immigration and Asylum Act 2002, [link](#)

Recommendation: The Government should amend the Nationality, Immigration and Asylum Act 2002 and the UK Borders Act 2007 to reflect that any foreign national convicted of a criminal offence in either the Magistrates Court or Crown Court should be subject to immediate deportation at the end of their sentence. For those sentenced to a community order or suspended sentence this deportation should be effective immediately on sentencing.

Conclusion

We rightly regard crime as an assault against the civilised values that underpin our society. A crime-ridden society is a dangerous and unhappy one. But crime also has a distinct economic aspect.

As so often in economics, it may be the immeasurable effects that are most important. In this instance these include radical changes in behaviour in response to the fear of crime and a diminished sense of trust in fellow citizens and the country's institutions. The impact of these costs could be substantial and reducing the incidence of crime and the fear of it among the populace and businesses could make a valuable contribution to improving the country's economic performance.

In contrast to many of the aspects of our economy examined in the work of Policy Exchange's *A Policy Programme for Prosperity*, this is an area where solutions are readily at hand. The baleful effect of crime in our society is largely the result of two key failures of public policy:

- (1). The failure to spend sufficiently on the police, the prisons and the courts;
- (2). A timid and permissive approach to both policing and sentencing.

In principle, these can both be fixed. In these straitened times, it is difficult to advance the case for spending more public money but this is an area where money wisely spent can bring significant returns for society.

But this is far from being all about money. The failings that derive from the structure, ethos and behaviour of the police and the criminal justice system, are completely unnecessary self-inflicted wounds. It is perfectly possible for radical reform to both policing and sentencing to effect a major reduction in the incidence of crime and thereby to reduce its economic cost.

Appendix 1

Appendix 1 gives an overview of the methodology which is used to estimate the cost of crime against individuals and businesses in this report. The methodology follows that of a 2018 Home Office report and has been updated to reflect more recent crime volumes and cost figures. The aim of Appendix 1 is to indicate where we have updated figures or made methodological adjustments in order to give an updated estimate.

Appendix 1 is available on the [Policy Exchange website](#).

Appendix 2: The business sectors covered and those excluded in the 2018 Home Office Study

SIC Sectors included:

- i. Wholesale and retail
- ii. Agriculture forestry and fishing
- iii. Construction
- iv. Accommodation and food
- v. Arts entertainment and recreation
- vi. Manufacturing
- vii. Transportation and storage

SIC sectors excluded:

- i. Mining and quarrying
- ii. Electricity, gas, steam and air conditioning supply
- iii. Water supply, sewerage, waste management and remediation action
- iv. Information and communication
- v. Financial and insurance activities
- vi. Real estate activities Professional, scientific and technical activities
- vii. Administration and support services
- viii. Public administration and defence
- ix. Education
- x. Human health and social work activities
- xi. Other service activities
- xii. Activities of households as employers
- xiii. Activities of extraterritorial organisations and bodies.

Appendix 3: A full list of 'State-based' or 'victimless' crimes

Source: Crown Prosecution Service, Table of Offences, [link](#)

Acquiring, possessing, etc the proceeds of criminal conduct
Acquisition by or supply of firearms to person denied them
Acquisition, use or possession of criminal property
Activities relating to opium
Acts outraging public decency
Affray
Assisting another to retain proceeds of terrorist activities
Assisting illegal entry or harbouring persons
Assisting offenders
Assisting prisoners to escape
Attempt to cause explosion, making or keeping explosive etc
Attempting to injure or alarm the Sovereign
Being drunk on aircraft
Bomb hoax
Breach of anti-social behaviour order
Breach of prison
Breach of sex offender order
Carrying loaded firearm in public place
Causing danger to road users
Causing explosion likely to endanger life or property
Concealing an arrestable offence
Concealing criminal property
Concealing or transferring proceeds of terrorist activities
Concealment of birth
Conspiring to commit offences outside the United Kingdom
Copying false instrument with intent
Corrupt transactions with agents
Corruption in public office
Counterfeiting Customs documents
Counterfeiting notes and coins
Counterfeiting of dies or marks

Cultivation of cannabis plant
Custody or control of false instruments etc
Dangerous Driving
Dealing in firearms
Destruction of registers of births etc
Directing terrorist organisation
Disclosure prejudicing, or interference of material relevant to, investigation of terrorism
Disclosure under sections 330, 331, 332, or 333 of the Proceeds of Crime Act 2002 otherwise than in the form and manner prescribed
Drug trafficking offences at sea
Endangering an aircraft
Endangering the safety of railway passengers
Escaping from lawful custody without force
Fabrication of evidence with intent to mislead a tribunal
Failure to comply with certificate when transferring firearm
Failure to disclose information about terrorism
Failure to disclose knowledge or suspicion of money laundering
Failure to disclose knowledge or suspicion of money laundering: nominated officers in the regulated sector
Failure to disclose knowledge or suspicion of money laundering: other nominated officers
Failure to disclose knowledge or suspicion of money laundering: regulated sector
False evidence before European Court
False statement tendered under section 5B of Magistrates' Courts Act 1980
False statement tendered under s9 of the Criminal Justice Act 1967
Forgery
Forgery and misuse of driving documents
Forgery etc of licences and other documents
Forgery of driving documents
Forgery, alteration, fraud of licences etc
Fraudulent evasion of agricultural levy
Fraudulent evasion of controls on Class A and B drugs
Fraudulent evasion of controls on Class C drugs
Fraudulent evasion of duty
Fraudulent evasion: counterfeit notes or coins
Fraudulent evasion: not elsewhere specified
Fund raising for terrorism
Harbouring escaped prisoner
Illegal importation of Class A and B drugs
Illegal importation of Class C drugs

Illegal importation: counterfeit notes or coins
Illegal importation: not elsewhere specified
Impersonating Customs officer
Incitement of terrorism overseas
Involvement in arrangements facilitating the acquisition, retention, use or control of criminal property
Keeping a disorderly house
Living on earnings of male prostitution
Making false entries in copies of registers sent to registrar
Making false statement to authorised officer
Making false statement to obtain interim possession order
Making false statement to resist making of interim possession order
Making gunpowder etc to commit offences
Making or possession of explosive in suspicious circumstances
Making or supplying articles for use in fraud
Making, custody, or control of counterfeiting materials etc
Manufacture and supply of scheduled substances
Membership, support or meeting of proscribed organisations
Misconduct endangering ship or persons on board ship
Mishandling or falsifying parking documents etc
Obscene articles intended for publication for gain
Obstructing Customs officer
Obstructing engine or carriage on railway
Occupier knowingly permitting drugs offences etc
Offences against international protection of nuclear material
Offences in relation to dies or stamps
Offences in relation to money laundering investigations
Offences in relation to proceeds of drug trafficking
Offences involving custody or control of counterfeit notes or coins
Offences of publication of obscene matter
Offences relating to the safe custody of controlled drugs
Perjuries (7 offences)
Permitting an escape
Personation of jurors
Perverting the course of public justice
Placing wood etc on railway
Possessing anything with intent to destroy or damage property
Possession (with intention) of apparatus or material for making false identity documents
Possession (with intention) of false identity documents
Possession (without reasonable excuse) of false identity documents or apparatus or material for making false identity documents
Possession of articles for terrorist purposes

Possession of Class A drug
Possession of Class A or B drug with intent to supply
Possession of Class B or C drug
Possession of Class C drug with intent to supply
Possession of false identity documents
Possession of firearm by person convicted of crime
Possession of firearm with criminal intent
Possession of firearm with intent to endanger life
Possession of firearm without certificate
Possession of offensive weapon
Possession or acquisition of certain prohibited weapons etc
Possession or acquisition of shotgun without certificate
Practitioner contravening drug supply regulations
Prejudicing a drug trafficking investigation
Prison mutiny
Producing or supplying Class A or B drug
Producing or supplying Class C drug
Racially-aggravated public order offence
Riot
Sending prohibited articles by post
Shortening of shotgun or possession of shortened shotgun
Shortening of smooth bore gun
Stirring up racial hatred
Supplying instrument etc to cause miscarriage
Support or meeting of proscribed organisations
Tipping off (POCA)
Tipping off in relation to money laundering investigations (DTA)
Trade description offences (9 offences)
Undischarged bankrupt being concerned in a company
Uniform of proscribed organisations
Unlawful collection of information for terrorist purposes
Unlawful eviction and harassment of occupier
Use of firearm to resist arrest
Using a copy of a false instrument
Using a false instrument
VAT offences
Violent disorder
Wanton or furious driving
Weapons training



£10.00
ISBN: 978-1-917201-46-9

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